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West Europe Report

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WEST EUROPE REPORT

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SOCIAL

ECONOMIC

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POLITICAL AUSTRIA

COMMENTATOR CALLS FOR GRAND COALITION AFTER ELECTIONS

Vienna KURIER in German 17 Sep 86 p 5

[Article by Hubert Wachter: "The Best Brains of the Republic Are Needed"]

[Text] Austria is faced with the need to reorder its political life. Following the collapse of the red-and-blue coalition, there is a good deal of talk about a new grand coalition but also increasingly about "broad-based collaboration." Whatever happens, the goal will be to achieve a "new quality of governing." The country is confronted with too many difficult problems for anything else.

In 1966, exactly 20 years ago, the Austrian voters turned the grand coalition out of office.

Today, in 1986--after 13 years of an all-socialist government under Bruno Kreisky which was preceded by 4 years of an all-OeVP government under Josef Klaus and after 3 years of a red-and-blue coalition under Fred Sinowatz and Norbert Steger--the grand coalition is knocking at our door once again.

When hundreds of thousands of Austrians elect a new national assembly on 23 November, it will be our young compatriots up to the age of 35 who have no real knowledge of the grand coalition. Some of them had not even been born when it broke up or else they were so small that they took no notice of political events.

This grand coalition that people are talking so much about--what is it ? People who think that Franz Vranitzky will probably be our next chancellor ?

When one goes through the old newspapers of the mid-sixties, it does not sound too good.

"Concentration of almost all power on the side of the executive. No real control of power through criticism. The opposition in parliament was too weak. Coalition agreements served to paralyze the national assembly. The accountability of the government was completely obscured. Each party used the coalition as a welcome excuse vis-a-vis its dissatisfied supporters. Unchecked government power almost inevitably resulted in the

most serious abuses. Corruption was on the rise and so was nepotism, the precursor of corruption. The proportional distribution of government jobs extended all the way from the upper levels of administration and the state-operated sectors of the economy, e.g. the banks down to the toilet attendants in every government building..."

This is what Kurt Vorhofer, an expert on domestic politics and one of the most prominent journalists today, wrote in an analysis of the coalition in 1971.

That is the way he characterized the collaboration between the OeVP and the SPOe as they jointly governed the country as a "grand coalition" prior to 1966.

Does this devastating critique still apply today ?

Let us hope in the interest of our country that a new grand coalition which may be in the offing will turn out somewhat differently.

Not merely because the actors today are different.

1986 has indeed turned out to be a kind of political leap year for our republic.

What has happened in this country since this spring and right up until the last few days is really far too much for a regular political year.

There was a Presidential election which swept a chancellor (i.e. Sinowatz) out of office. He was followed by Bacher, the head of the ORF. Then came Steger, who was replaced as party chairman by Haider, and this in turn led to the collapse of the government and to a call for new elections. There was even a change in the Church: Hans Hermann Groer was named archbishop.

And for good measure we got the bad economic news from the nationalized industries.

So far in 1986, things have really been turned upside down in Austria.

How is this supposed to go on ? Is the grand coalition or collaboration between the SPOe and the OeVP (or vice versa, depending on who gets more votes) the panacea ? That is the question these days.

The conservatives in this country are already talking about the "greatest possible collaboration." In contrast to the SPOe, the OeVP has not excluded the Haider-led FPOe from its considerations regarding a coalition.

In the first instance, however, the general idea seems to be to achieve wide-ranging cooperation among all concerned.

And suddenly there appears on the horizon the solution which people have tended to belittle until now. It is the joint idea of Styrian OeVP leader Bernd Schilcher and provincial governor Josef Krainer of forming an "all-Austrian government," i.e. a government made up of the best brains of our nation.

This would not exactly amount to an all-party government but rather a new type or model of government.

The initial composition of such a government in terms of personnel already exists.

It might include Franz Vranitzky, Rudolf Streicher, Heinrich Uebleis and Karl Blecha of the SPOe; Alois Mock, Robert Graf, Josef Taus and others of the OeVP but also someone such as Helmut Kruenes of the FPOe.

Whatever the outcome of the 23 November election, the parties then represented in parliament would nominate their best men to help form a government which would act more independently than prior Austrian governments in finding solutions to our problems. There certainly is no dearth of these, e.g. the VOEST, the nationalized enterprises, the budget, the social safety net, agriculture, to name just a few.

If the political parties actually come to realize that Austria's future is now at stake and that it is not a matter of dividing power among individual parties, then Vranitzky's move to put an end to his own government might mark the beginning of a new road.

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POLITICAL AUSTRIA

ANALYSIS OF SPOE, FPOE LOSSES IN STEIERMARK ELECTION

Vienna KURIER in German 23 Sep 86 p 5

[Article by Peter A. Ulram: "The Shrinking SPOe Core"]

[Text] The author is a social scientist working for the Dr. Fessel & Co public opinion research institute and a member of the political science faculties of Vienna and Graz University. He has analyzed the trends and consequences of the Styria Landtag elections.

In the Styria election, the SPOe suffered a massive defeat, losing 5.1 percentage points while the FPOe suffered a heavy defeat, losing 0.5 percentage points. Both parties lost about one-tenth of their former voters and in both cases it was their second worst showing in a Styrian Landtag election since the start of the Second Republic. The OeVP increased its absolute majority by 0.9 percentage points, almost doubling its lead over the SPOe. The Greens and Alternatives, appearing on the ballot in various guises, received a substantial share of the vote, winning seats in the Landtag--as they did earlier in Vorarlberg.

SPOe Gradually Losing the Middle Class Voters

When the election outcome is analyzed according to population groups and regions, the changes become even more apparent. The SPOe losses thus were heaviest among the new middle class (white-collar workers and public officials in the cities); among industrial workers and young people. The OeVP, on the other hand, registered gains among all types of wage earners while maintaining or even slightly improving its hold on the rural vote--in contrast to previous elections. The same applies to the various party strongholds, i.e. SPOe losses in the "Red cities" of Upper Styria (of landslide proportions in some instances) and in Graz; OeVP and Greens/Alternatives gains. The FPOe was able to hold on to most of its German Nationalist vote and to obtain scattered protest votes in the Upper Styria crisis areas, but incurred heavy losses among middle class voters in towns and cities.

The actual shifts, however, went beyond the abovementioned percentage figures. The OeVP won over far more voters from the SPOe than the actual numbers indicate because it lost votes to the Greens/Alternatives at the same time--though not as many as the socialists. As before, the SPOe lost

votes to all political parties, primarily to the OeVP and the Greens/Alternatives; in localities with a long communist heritage, to the KPOe and here and there even to the FPOe. The Greens/Alternatives also won voters away from the other parties but in the first instance from the SPOe. In Graz, the GVOe and AL equalled their strong showing in the 1983 municipal election. Land-wide, the four Green slates combined have taken over the number three spot from the FPOe.

In all, the Styrian election is of significance both at the Land and the national level. In absolute terms, Land Governor Krainer's performance has made a big difference. For that matter, the Styrian OeVP has been able to upgrade its expertise in almost all sectors of political life. At the same time, opinion research findings indicate a long-term negative trend for the SPOe: their leaders do not convince the voters and their image is not favorable either.

In national terms, the significance of the election result lies in its structural aspects and the shifts among the electorate. The socialist losses in their strongholds, among the urban middle class and among industrial workers and the analogous OeVP gains are in line with the trend already observable in the 1983 national assembly election, various regional elections between 1981 and 1983, the elections to the chambers of labor and the 1986 Presidential election. The actual figures may vary, but the general trend does not. The decline of the SPOe both among its core supporters and the undecided voters continues under Vranitzky's chancellorship.

FPOe Becoming Ghetto Party for Nationalists and Protest Voters

Under its new Populist leadership, the FPOe has been able to slow down its decline somewhat; but in doing so, it reverts to the role of a ghetto party composed of old Nationalists and outright protest voters. It did not attract new, future-oriented segments of the electorate under Steger and is unable to do so under Haider either. The Greens/Alternatives continue to make their presence felt as challengers of the traditional party system. But their significance is lessened substantially due to internal fragmentation and their poor showing outside the big cities.

OeVP Gaining at Expense of Doctrinaire Comrades

The outlines of the new Austrian political landscape are thus becoming clearer. The SPOe is declining steadily while the OeVP continues to gain. On the fringes of the political spectrum, two political forces have established themselves--one based on German Nationalist residues and regional dissatisfaction and the other based on the hard core of alternative fundamentalists and environmental protectionists critical of all political parties--and are vying for the fluctuating protest vote.

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POLITICAL

GREECE

BRIEFS

PAPANDREOU'S REPORTED SUCCESSION PLANS--Andreas Papandreou is giving serious thought to future political developments, and we have information that he is concerned with the issue of the presidency, even if this will not come up before March 1990. According to our information, the prime minister, who will be 72 in 1990, wants even now to prepare for his succession in the PASOK, which, however, he is thinking about strictly in terms of his son, Giorgos Papandreou, and his immediate family entourage. Within this context, a special team, constituted by the prime minister's advisors and by young scientists friendly to Giorgos Papandreou is preparing a multi-sided study of prospects with the purpose of searching for and identifying the tendencies that will be prevalent in Greek society in the decade of the nineties. The various scenarios for the rise of Giorgos Papandreou to power, not only in the government, but also in the PASOK, will be based on these data. According to our information, American "shapers of public opinion" will participate in the relative initiatives of the prime minister when this will be judged "indispensable." In general, Mr Papandreou believes that under present political and economic conditions, the PASOK has the possibility of being the first-ranked party at the next parliamentary elections, even without an absolute parliamentary majority. A special team will be set up soon in order to study the possible electoral systems for the next election. [Text] [Athens EMBISTEVTIKO GRAMMA in Greek 18 Sep 86 p 3]

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POLITICAL PORTUGAL

MOTIVES BEHIND RECENT PCP STRATEGY EVOKED

Lisbon DIARIO DE NOTICIAS in Portuguese 9 Sep 86 p 4

[Editorial: "The Fall Offensive"]

[Text] Just when some people were beginning to wonder at the relative truce being granted by the PCP to the government headed by Cavaco Silva, Alvaro Cunhal has again disinterred the most daring of all those slogans the party has launched since 25 April 1974: "Throw the government out." Why not before now?

The question is all the more justified in that the Communists were obviously not expecting this government's conduct ever to coincide with what they consider to be "a democratic and patriotic policy." The fact is that their attitude in Parliament has consistently been highly critical, and if a reason existed for wondering at the fact that the PCP has been displaying less aggressiveness all this year than it has shown to most previous governments, that reason was to be found only in the absence of a campaign to bring about Cavaco Silva's replacement. So what was the reason for the delay? There is only one explanation, and that is the vicissitudes experienced during this period by the two parties--the PS in particular--with which it is possible, at least and perhaps only in theory, to work out the alternative suggested by Alvaro Cunhal.

But let us see. In purely logical terms, the offensive that has now been announced by Cunhal would have made much more sense immediately after Mario Soares was elected--that is, in the wake of a dynamic--even though purely tactical--of leftwing unity that even brought a lessening of the rivalries between the PS [Socialist Party] and the PRD [Democratic Renewal Party]: in short, a dynamic that was successful and enabled the combination of forces opposing the government to get their candidate elected chief of state. But in political terms, the reality was different. In the PRD, there were even those who were wondering if Ramalho Eanes would join the party. And as for the PS, it was still at the beginning of its struggle over a successor to Soares. Talking about any alternative with credibility was therefore an impossibility.

But the situation has changed, partly because the problem of leadership has been solved in the PS and, basically, in the PRD as well, and partly because

neither of those parties seems to be moving in the direction hoped for in the PCP's strategy. The Socialists, although talking about the possibility of a government of independents if the current government resigns, do not want to take responsibility for causing the rupture at this moment. For its part, the PRD, besides agreeing with the PS in that defensive attitude, even strikes many people as being capable of forming any kind of alliance that would oppose the PS. As a result, the AVANTE! Festival provided a doubly suitable opportunity to launch a total offensive against the government.

On one point, Cunhal's strategy approximates that of the other opposition parties: he considers elections unnecessary. That may appear to be an unimportant detail, but actually it is not, since it introduces a tactical twist of great importance. The fact is that whereas the offensive against successive governments in the past was aimed at a rupture leading to elections, the intention now is to force the PS and the PRD to take power by defeating the government in Parliament. It will be argued that neither of those two parties is clearly interested in that possibility. But events may place them on the brink, if not of forming a government, then at least of having to make a government of independents viable if they do not want to face elections for the time being. And that, in brief, is the Communist strategy.

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POLITICAL SWEDEN

INCREASED SECURITY MEASURES INCLUDE NEW RESIDENCE

Easily Guarded Building Chosen

Stockholm DAGENS NYHETER in Swedish 24 Sep 86 p 7

[Article by Bo G. Andersson: "Slottsbacken Safe Home for Carlssons"]

[Text] Within a couple of months, Prime Minister Ingvar Carlsson is going to exchange his new terrace apartment in Tyreso for an official apartment in a turn-of-the-century building in the Old Town.

The address of the prime minister and his wife will be No 2 Slottsbacken, and their nearest neighbors will be the Royal Palace and the Great Church.

The intention is that the apartment will become the permanent residence for Sweden's prime ministers, something like the British prime minister's residence at No 10 Downing Street in London.

The tense security situation in the country following the assassination of Olof Palme is the reason for Carlsson's relocation.

Just 3 weeks ago he moved from his old row house in downtown Bollmora to a cooperative apartment in a newly built terrace house on Gudo Bay in the municipality of Tyreso.

But although the new apartment was altered at a cost of some 100,000 kronor to improve security (see the article below), the prime minister and his wife will soon be forced to give it up. And then the family will also have to leave Tyreso, a municipality south of Stockholm where its roots go back many years.

In November at the earliest, the moving van will take them from the terrace apartment on Gudo Bay to No 2 Slottsbacken.

Owned by the State

The new property, which stands just opposite the Palace, was built in 1911 in turn-of-the-century baroque style. It is owned by the state, used by King Carl Gustav, and managed by the National Board of Public Buildings.

Right next to it are the Great Church and the Tessin Palace, where Stockholm County Governor Lennart Sandgren has his residence.

Elisabet Neider, bureau chief at the TT [Press Wire Service, Inc.], was told at the National Board of Public Buildings: "But No 2 Slottsbacken is not a particularly remarkable building. It does not carry the 'K' classification."

The building has 27 apartments, most of which are occupied by people working for the Department of the Keeper of the Privy Purse and Treasurer to the King.

Ingvar Carlsson and his wife Ingrid will have a total of 3.5 rooms at their disposal. The rooms are part of a 12-room apartment that is currently being remodeled. The apartment was formerly occupied by Marshal of the Realm Stig H.-Ericson.

According to Lars Ag, head of the National Board of Public Buildings, the idea behind the remodeling is to establish an official residence for the head of the country's government, not to furnish an apartment solely according to Ingvar Carlsson's wishes.

The Security Police (SAPO) are naturally playing a key role during the construction work that is now in full swing. Everything in the way of modern alarm systems and monitoring technology will be installed in the apartment to ensure the security of the prime minister and his wife.

Difficult To Guard

Bjarne Torner, deputy head of SAPO's Technical Division, told DAGENS NYHETER: "This is definitely a better solution than the terrace apartment on Gudo Bay, which is difficult to guard. So we are pleased."

The building has only one entrance from Slottsbacken that needs to be guarded. But how SAPO intends to carry out that task is not known. According to unconfirmed reports, another main guard would stand watch in front of that street door, more or less as is done at No 10 Downing Street in London.

Carlsson's apartment is on the building's third level. At the moment, the old windowpanes are being replaced with extra thick bulletproof glass.

Ingvar Carlsson will be living close to his job at the Cabinet Office in Rosenbad Palace. He will be able to walk across the outer courtyard of the Royal Palace, take the steps down to Mynt Square, and then continue another few hundred meters to the government building.

But the days when Sweden's prime minister could be seen strolling through Stockholm's streets may be over. Ever since Olof Palme's assassination, Ingvar Carlsson and a couple of other ministers have been provided with constant protection by SAPO.

Black security vehicles with bulletproof glass and other features have been used even for short trips.

Ingvar Carlsson's wife Ingrid will have to commute farther to work as a result of the move. She is a school librarian in Handen, south of Stockholm.

Previous Measures Insufficient

Stockholm DAGENS NYHETER in Swedish 24 Sep 86 p 7

[Article by Bo G. Andersson: "New Apartment Too Difficult To Guard"]

[Text] Prime Minister Ingvar Carlsson's current residence on Gudo Bay in the municipality of Tyreso has been remodeled over the past few months at a cost of some 100,000 kronor. Among other things, bulletproof windows, impenetrable doors, and electronic alarm systems have been built into the apartment.

In addition, the apartment used by the prime minister and his wife is guarded around the clock by Abab security guards armed with revolvers. The guards also patrol the surrounding area.

But despite those security measures, which are extraordinary in Sweden, Prime Minister Ingvar Carlsson will soon have to move to an even safer residence.

As early as last spring, SAPO urged the prime minister not to move into the cooperative apartment, which is located an idyllic 25 meters from the shore of Lake Drevviken in the municipality of Tyreso.

Police considered it too difficult to guard, especially from the lake side. DAGENS NYHETER has learned, however, that SAPO eventually gave in to Ingvar Carlsson's desire to live simply in the municipality where the family's roots go back a long way.

Vanload of Furniture

So after months of extensive remodeling, it was decided early in August that the prime minister and his wife would move into the terrace apartment.

Three weeks ago, the vanload of furniture was taken from the old row house in downtown Bollmora. The terrace apartments--115 in all--climb up the side of a hill, and most of them have a fantastic view of Gudo Bay.

From the outside, it is impossible to distinguish the prime minister's apartment from all the others.

Even so, his apartment has been remodeled by SAPO's experts specifically to meet stiff requirements for personal protection. For example, the doors are penetration-proof to give the Abab security guards time to call for reinforcements if anything happens.

Attack Alarm

In addition, the windows are fitted with bulletproof glass. This is important because they all face the lake, and that is the side difficult to guard. The

apartment is also equipped with electronic alarm systems. And lastly, permanently armed Abab security guards are also on the spot.

Besides their surveillance of the apartment itself, they also patrol the neighborhood from time to time. Any would-be assassins will not be able to tell from the presence of the guards whether the prime minister is home or not.

Two other apartments are on the same floor as the prime minister's. The people living in them must pass in front of Ingvar Carlsson's terrace and windows to reach the elevator.

That was an important reason why SAPO urged the prime minister last spring not to move into the three-room apartment, which measures 82.5 square meters.

Prime Minister Ingvar Carlsson confirms that he will soon be leaving the terrace apartment and moving to No 2 Slottsbacken in the Old Town, but he has no further comment.

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POLITICAL TURKEY

AIR OPERATION IN IRAQ JUSTIFIED ON LEGAL, STRATEGIC GROUNDS

Istanbul HURRIYET in Turkish 20 Aug 86 p 15

["In Politics" column by former ambassador Coskun Kirca: "The Cleanup Operation: From a Standpoint of International Law and the Constitution"]

[Text] The cleanup operation undertaken by the Turkish Armed Forces across the border from Hakkari in neighboring Iraq has led to certain constitutional arguments. Social Democratic Populist Party leader Erdal Inonu charged that the TGNA [Turkish Grand National Assembly] should have made the decision on this issue.

Insurgents who engage in an armed clash with the armed forces of a country within the territory of that country may subsequently cross the border to a neighboring. The country to which the rebels escape may not be able or may not want to cooperate with the injured country for the capture or eradication of these bandits. Under such circumstances, the armed forces of the country that has come under attack have the right to pursue the bandits into the territory of the neighboring country where they have fled and to capture or destroy them. Moreover, the state pursuing the rebels does not need to have the advance permission of the neighboring country in order to exercise this right. This is one of the rules of international custom and practice, and it stems from the principle of legitimate defense.

Under such circumstances a state of war does not exist. Therefore, there is no need to ask the TGNA to declare war in accordance with the first paragraph of Article 92 of the Constitution.

Should the most recent cleanup operation mounted in Iraqi territory be interpreted--in accordance with the same article of the Constitution--as the dispatching of Turkish armed forces to a foreign country? The answer to that question must be no, because under such circumstances the Turkish Armed Forces are performing their domestic functions. In exercising our government's right hot pursuit, our security forces are not entering the neighboring country with the purpose of performing a function which necessitates their stay in that country; they intend to return as soon as they complete a task that has begun inside our country.

Furthermore, even if one interprets this situation as the dispatching of Turkish forces into another country, in my opinion, it would still not be

necessary to obtain the approval of the TGNA in accordance with the aforementioned article of the Constitution because that would not be feasible. Indeed, by ambushing a Turkish gendarme unit near the border, the bandits had committed a surprise assault against our country. At the time this assault was mounted, the TGNA was in recess. Thus the situation was identical with the circumstances mentioned in the last paragraph of the said article of the Constitution. Under such circumstances, the Constitution empowers the president to use armed force. The president can exercise this right--which is not his exclusively--through a ministerial council decree or by signing a decree with the force of law.

In addition, it was absolutely essential to respond immediately to this unexpected assault. Had the government waited for the TGNA to convene and make a decision, the counterstrike of our armed forces would have been delayed, and the bandits would have been forewarned and would have the opportunity to withdraw from their sanctuaries and to evade our retaliatory response.

Meanwhile, in circumstances mandated by security concerns, Article 122 of the Constitution permits the enactment of decrees with the force of law without the prior enactment of an authorization law. The decree with the force of law that was enacted has the signature of the president; therefore it complies with the last paragraph of Article 92 of the Constitution.

Martial law commanders are authorized to exercise the right of pursuit given to them by this decree only with the permission of the Chief of the General Staff. The said decree has in fact been submitted to the TGNA for approval as required by the Constitution. When the decree is approved, it will be possible to exercise the right of pursuit without the consent of the TGNA even in situations where a collective decision is necessary, because under such circumstances the TGNA would have given its prior consent. It is obvious that such an arrangement would substantially increase the deterrence power of the Turkish Armed Forces against the separatist bandits and their supporters.

The latest incident is not even remotely similar to the dispatch of Turkish troops to Korea or our military intervention in Cyprus. Our cleanup operation in the bordering region of Iraq is fully justified from a standpoint of our national security imperatives as well as international law and the Constitution.

Cleanup Operation: Politics and Strategy

The operation undertaken by the Turkish Armed Forces on the Iraqi side of the Turkish-Iraqi border after communist separatist traitors ambushed a Turkish gendarme unit in a location near the border in Hakkari is not the first operation of its kind. This shows that the protection of our southeastern provinces from the terrorism of communist separatists requires the implementation of tactics which will produce more lasting results.

The bandits, who have turned the Iraqi territory bordering on Hakkari into a sanctuary and a base, infiltrate into Iraq through Syria. Turkish and Western

intelligence services are not unaware that these bandits are trained in camps in Syria and that their trainers are supplied by organizations on the Marxist flank of the Palestine Liberation Organization as well as Bulgaria, Czechoslovakia and East Germany. All these indications prove that the Soviet Union has not renounced its intention to destabilize our country and to separate our eastern provinces from the rest of the country. Exposing the evidence of this phenomenon in open diplomatic forums would not produce any results. Proving the facts in the intelligence field and proving them at the diplomatic and judicial level are governed by two very different sets of rules. Moreover, as long as the Soviet Union does not confront Turkey openly, Turkey will not enter a direct confrontation with its northern neighbor. However, Turkey is obviously aware of the facts and will do whatever is necessary.

Syria, which has coveted Hatay for a long time, has always wanted to see Turkey weakened. Moreover, this country needs the military and political support of the Soviet Union against Israel. Consequently, helping the Soviet Union in its attempts to destabilize Turkey is one way Damascus can repay its debt to the Kremlin. It is obvious that Syria has been employing delaying tactics in response to Ankara's proposals for cooperation in the eradication of anti-Turkish insurgents based on Syrian soil and that it has been supporting the bandits' activities against us.

Meanwhile, with respect to Israel, Syria has been pursuing an extremist policy which rules out any compromise. Damascus cannot expect to recover the Golan Heights as long as it pursues this policy. Thus, as long as the conflict continues, Syria is forced to maintain a sizeable military force against Israel. In addition, while Hafiz al-Assad has succeeed in scuttling the West in Lebanon, currently he is himself trapped in Lebanon; he is forced to maintain a sizeable military force in that country as well. Consequently, Damascus has left its border with Turkey effectively defenseless. Thus, Syria will either have to expel the anti-Turkish separatist gangs and organizations from its territory, or it will have to permit the Turkish armed forces to mount cleanup operations inside Syria in the border areas--as Iraq has done in good will--or it will have to watch the Turkish armed forces perform this task without its permission.

Turkish diplomacy has the means to squeeze Syria with a north-south pincer. When Syria fought a war with Israel, Turkey did not object to the flow of Soviet aid to its southwestern neighbor over the Anatolian airspace. But ungrateful Syria must realize that if enters serious confrontations on both its northern and southwestern borders, it will not be able to receive any aid from Moscow. The issue may then become a dispute between NATO and the Warsaw Pact; under such circumstances the prerequisites for American intervention on behalf of its allies would be fulfilled. In today's conditions, the Soviet Union may not be able to risk the growth of the problem into such proportions.

If Syria is watching the conditions of its region and the world carefully, then it must come to its senses in its relations with Turkey.

9588
CSO: 3554/5

POLITICAL TURKEY

LARGE POWERS, REGIONAL RIVALRIES BLAMED FOR KURDISH REVOLTS

Ankara YANKI in Turkish 14-20 Jul 86 pp 36-37

[Text] On our southeastern borders today one can still see activities, which, while different in nature, can be considered an extension of the widespread anarchic events in our recent history.

Groups which are based in neighboring countries and which occasionally infiltrate into our territory are undoubtedly acting out of certain motives. Those who participate in armed acts in this region sometimes cooperate with Kurdish groups pursuing armed struggles in neighboring countries.

We discussed with Lutfu Akdogan the stance with respect to Turkey of the Kurds who are presently pursuing armed struggles in primarily Iran and Iraq. Akdogan, who once went inside the Kurdish movement to monitor their struggle and who talked to the Molla Mustafa Barzani at the "friendship" level, evaluated the Kurds' unchanging policies and motives.

Kurds' Status

YANKI: Do the Kurds pose any danger to Turkey?

Akdogan: In Turkey one cannot differentiate between Kurds and ethnic Turks. Sometimes, we refer to certain people as "Kurd Ali" or "Kurd Hasan," but that should not be considered significant because we never use that term to imply that those people are from another race or religion or that they are foreigners. The history of the Kurds is quite confused and has not been fully clarified. However, it is certain that they are descended from a Turkish tribe. Some of the Kurds who currently live in Arab countries have virtually become Arabs and some of the Kurds living in Iran have become Iranians.

The Kurds occasionally revolted under the Ottoman Empire. However, it was not only the Kurds who revolted. All the ethnic groups living in that vast empire revolted. Such events always occurred as a result of certain provocations whenever the government was weak. There were two Kurdish uprisings during the republican period, but it was obvious that these revolts were instigated by Britain, the Soviet Union and France. Some of our administrators in the region were also to blame. However, it is well-known that individuals abroad who describe themselves as "nationalist Kurds" are deceiving and pressuring

the innocent people. Kurdish, Arab and Armenian nationalists collaborated with each other in Paris against the Ottoman Empire. A similar collaboration exists today. Individuals who have fled from Turkey have also joined this collaboration.

Certain failed individuals who proclaim themselves as "revolutionaries" have declared a holy war against our republic in a Turkish-Kurdish-Armenian alliance in the streets of Paris, London, Athens, Beirut and Damascus. These groups are not in any way linked to the Kurdish community in Turkey. The Kurdish community in Turkey rejects and repudiates them. That is why these groups disturb our society and environment through the use of certain inhuman acts such as anarchy, terrorism and hit-and-run operations.

YANKI: What is Turkey's policy on this issue?

Akdogan: Turkey has never renounced Ataturk's principle of "peace at home, peace in the world"--nor will it ever do that.

It is evident that we view the events outside our borders peaceably. Barzani fought the Iraqis for 50 years on our borders, and on several occasions he asked for help from Turkish authorities. However, we have never helped any rebellious and illegitimate organization in any part of the world. When Barzani wrote to President Cevdet Sunay and Prime Minister Suleyman Demirel at the time, he did not receive any response. On the contrary, we wanted a quick end to the war between Iraq and the Kurds and a peaceful coexistence between the two communities. Almost all Iraqi governments have recognized the Kurds' rights and have even given them positions of power such as the deputy presidency and ministries. However, the Iraqi Kurds have always been in conflict with the Iraqi government because of incitations by the Soviets and Iran. As a result they have been hurt. Today, Iraq is once again forced to fight a bloody battle with the Kurds because of Iran's provocations, and the Kurds are being virtually exterminated.

'Great Powers are Behind Terrorism in the Region'

YANKI: Who is supporting the Kurds? What is the source of this anarchy in the Middle East? Who is benefiting from it?

Akdogan: Let me first state that the leading powers which traditionally backed the Kurds were the Soviet Union and Britain. Now, there is also Israel. It is distressing to know that foreigners want to set up a Kurdish state in our eastern region. We cannot deny that. However, it is clear that if such a state is established it will certainly be a "communist state." The dream of establishing a state of 20 million people on parts of the territories of Iraq, Iran, Turkey and Syria is naturally in the interests of certain countries. This way, a second "Israel" will have been established in the Middle East.

A strong Turkey, a strong Iran or a strong Iraq are not wanted. It appears that these three nations are not aware of this fact. If they were, they would join hands against such threats.

The region is beset by anarchy created by the Israelis and the Palestinians. Meanwhile, the Armenians are pursuing certain activities against Turkey. It is also true that the Kurds abroad are extensively involved in terrorism.

The governments backing these groups change over time. Today, this triple terrorism is backed primarily by the Soviet Union, France, Greece, Iran, Libya and Syria.

All the governments which play a role in these events are, with the exception of the Soviet Union, the victims of a seriously faulty policy. The Soviets believe that it is to their advantage to have a weak Turkey by instigating incidents in and around Turkey. A weak Turkey is the Soviets' primary objective. For the Soviets, Turkey is of major importance--particularly in view of the Turkish straits. The contribution of the straits to our economy is at most $1 billion. The same straits may contribute $100 billion to the Soviet economy. Every day, 70 to 90 commercial ships cross the straits. The Soviets' motives with regard to the straits have been well-known and documented since the time of the Czars. Today, the Soviets do not need to overrun Turkey with their guns and missiles. For them, the most attractive approach is to pursue an inexpensive strategy of weakening Turkey from inside and outside by the use of anarchy.

Terrorism is a very inexpensive means of war.

As for Iran, I believe that Iran is committing an error by inciting the Kurds and the Armenians. Syria stands to lose even more as a result of its unnecessary endeavors.

Today, Syria's domestic political state is not at all enviable. Its economy is in collapse. It is evident that it is being used by the Soviets, the Armenians and even the Kurds. Syria is a friendly and brotherly country. But it has taken the most erroneous course in its history, by its presence in Lebanon and its stance with respect to the Palestinians and the Iran-Iraq war. It is pursuing a policy which is far removed from its national interests. These incidents cannot produce any benefit for Syria, but they may harm it in the future.

On this issue we cannot reproach France, Greece, Britain and the Soviet Union, but erroneous acts committed by a brotherly and neighborly Muslim country may lead to disaster in the region.

'Occupationist Israel'

YANKI: What is Israel's role in terrorism in the region?

Akdogan: Israel was built on terrorism. Even today, Israel is saying "our borders extend from the Nile to the Euphrates." The remark "our defense perimeter extends to the Taurus mountains" manifests the ambitions of a small state. As long as Israel persists in its occupationist mentality and does not withdraw from the territories it has occupied, stability cannot be restored in

the region. Consequently, Israel and its allies will naturally support anarchy and terrorism to upset the region's peace and will flood the region with blood by supporting ethnic groups.

The entire world must joint hands against anarchy and terrorism. The Palestinians are naturally responding to Israel's actions, and thus the sides continue killing each other, airplanes are hijacked, trains are derailed and innocent people are massacred.

It is time to say "stop" to these murders. The great powers have major responsibilities on this issue. Terrorism may be stopped if the United States and the Soviet Union wish to do so. Unfortunately, the great powers are supporting anarchy and terrorism by instigating the small nations.

9588
CSO: 3554/6

POLITICAL TURKEY

ARTICLE CALLS FOR EFFORTS TO COUNTER TACTICS OF FAR LEFT

Istanbul TERCUMAN in Turkish 13 Jul 86 p 5

[Article by Aytemur Kilic: "Developments on the Extreme Left"]

[Text] The developments--or rather the search--now underway in the extreme left, and the probing and testing by the socialists and Marxists of the limits to which they may go, need to be closely followed, and necesssary conclusions must be drawn from them!

I have long observed that in our country, neither the official circles, nor those who should be opposed to the left, nor even those who are officially obliged to implement the laws have been much good at following or knowing what movements and developments are going on and what subtle changes are taking place on the left. This has resulted in the anticommunist movement, the struggle against Marxism, and even the conduct of legal proceedings in our country being somewhat superficial and lacking awareness. Indictments, instead of serving to expose the truly guilty as they should, have for the most part served as an opportunity for the accused to emerge completely whitewashed almost in derision of their accusers.

Our present constitution bars the way to right and left extremist ideologies and bans communist and Marxist groupings and activities. Should these provisions be changed to allow the formation, for instance, of a communist party? Now, that is a separate issue, with much that can be said for and against it. The debate among the leftists themselves is also interesting. Can a socialist--or, by their own admission, a Marxist--party be established under the present conditions? Should one be?

Again, at meetings held mainly to see how far the boundaries of restrictions can be pushed out, two conflicting views keep appearing. Some say: Yes, such a party can be established; let us go ahead and do so, let us begin the struggle, let the matter become the subject of a legal argument, let it lead to the emergence of a constitutional issue. The other topic of debate is the question of whether or not a "provisional" socialist party should be formed. There are also others who say: Let a provisional party be established, let it crystallize into a "lasting" communist or Marxist party; let the losers be eliminated from the contest, leaving either the new or the old guard to take over.

And then there is the perennial problem among the socialists: whether to be pro-Soviet or not. The interesting thing is that even for those who are opposed to being pro-Soviet there is a point at which they cannot bring themselves to disown the Soviet Union's services in the cause, and even Stalin entirely--with the exception of Mehmet Ali Aybar!

Yalcin Kucuk is clear in his analysis. In his view, Marxist activity in Turkey stands on three legs: a Turkish communist party outside Turkey, a Turkish labor party, and a Turkish socialist party--a socialist party within Turkey that will gather under its umbrella present and future illegal groups as well as a number of factions. One must not forget, of course, as my friend Prof Aydin Yalcin says, the Marxists infiltrating a socialist populist party! All this searching is meant to put pressure, legally and illegally, on the legal restrictions, the constitution, and the laws--for the purposes of the left. All in all, a situation that should be watched with care and with a view to learning from it!

In a sense, one has to take one's hat off to them: they do not despair of the struggle but, absorbing the lessons of past experience as well, keep on seeking new ways.

The statement by the Honorable Celal Bayar that, "Communists must be destroyed!" has been misunderstood. Just as his statements prior to 27 May [1960] have been distorted and used for adverse propaganda, the impression has benn created also around this recent statement of his that he was a supporter of a retrograde method--despite the absolute certainty that he did not mean a physical destruction or annihilation. Bayar, despite his advanced years, is a consistent and decisive man. What he meant, what a lot of us mean, is that the roots of communists should be destroyed. And it is clear that this cannot take the form of physical extermination in our age!

When one follows or reads up on their meetings, their writings, and their "teach-ins", it becomes clear how far removed the communists are from us, that is, the Turkish nation; how much they live in another world; and how they do not speak the same language and share the same values as the rest of us. What they still speak in is the obsolete language of Marx, the language of his dialectics. What in fact is destroying their roots is technological developments and the dynamism of our age; people are going beyond the concepts of right and left and on to new horizons. Both their interpretations and slogans are becoming anachronistic. What is strange is that despite all this they can still attract customers, particularly among the young, all the way to the middle aged. It is necessary for us to counter this by alternatives based on modern ideas and thus "destroy" communism.

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SOCIAL FEDERAL REPUBLIC OF GERMANY

BIRTH RATE SHOWS SLIGHT INCREASE AFTER LONG DECLINE

Frankfurt IMAIN FRANKFURTER ALLGEMEINE in German 25 Aug 86 p 10

[Article by Lothar Julitz: "Birth Rate Rebounds in German Families--Earlier Projections Become Doubtful"]

[Text] According to the most recent birth rate data, whether or not the population of the FRG will truly continue to decrease to its currently projected extent is likely to become an issue again. Reports claim that "after a long period of decline", birth rates during the first half of this year have clearly shown an increase over those of the first half of last year. Despite fluctuations, birth rates have been showing a downward trend since 1965.

Yet last year this "trend" was broken: for the first time since the beginning of the eighties, more babies were born in the FRG. Last year 586,155 babies were born, almost 2,000 more than in 1984. This tendency has stabilized in the current year. Preliminary reports for the first part of this year cite a 5.2 percent increase in the birth rate with a total of 300,000 newborns.

There is obviously a link between the increased birth rate and marriages. Since approximately 1950, the number of marriages has decreased over the years. Half a million couples exchanged vows in that year; by 1978, this number had dwindled to 328,215. Last year more marriages were recorded than in the year before, and if this development has persisted it could explain the change in the birth rate. It is also remarkable that the proportion of live births per 1,000 inhabitants has increased once more. This statistical ratio peaked in 1965 with 17.7 percent. It then dropped to only 9.4 percent and it was not until last year that it climbed to 9.6 percent. This higher birth rate in the FRG seems to be attributable entirely to an increased number in births in the German population, because the number of babies born to the foreign population has decreased over the last 10 years (1975: 96,000). Last year, 53,723 babies were born to foreign families with permanent residence in the Federal Republic--about 1,000 less than in the year before. It seems that the foreign population has increasingly patterned its "reproductive behavior" after that of the West Germans.

Why is it then that the foreign population has a birth surplus (compared to deaths) while the German population is afflicted by an excessively high

mortality rate? This development started at the beginning of the seventies and is responsible for the decline of Germany's population to about 56.6 million. The foreign population, on the other hand, has increased considerably and numbered about 4.4 million at the end of last year.

The increase of foreign residents in the FRG is of course crucially affected by the increased inflow of foreigners. Family reunifications, and more recently the flood of foreigners requesting asylum, have added significantly to their numbers. Nevertheless, the "natural population trend" of those foreigners already in the country plays an important role, because the birth surplus has remained relatively high among foreigners while the birth rate itself actually dropped in recent times. The birth surplus amounted to about 87,000 around the mid-seventies. By the eighties, it had decreased on the average to less than 50,000. On the other hand, beginning with the seventies, the German population saw a yearly average of 150,000 more deaths than births.

The reason foreign birth rates in the Federal Republic have dropped in recent times--even though statistical data show a relatively high birth surplus--has to do with the relationship between births and deaths. Because foreigners and Germans have different social structures, one must expect different developments. For example, more than one fifth of the foreigners living in the FRG are younger than 15, but only 2.5 percent are 65 or older. In comparison, only 15 percent of Germans are younger than 15, but more than 15 percent are 65 and over.

This does not mean that a stabilized German birth rate and a steady increase in newborns could put a quick end to the German population decline. Since the German population is relatively over-aged, one has to expect a continuing population decline until the (theoretical) point is reached where births once more outnumber deaths. This had been the case up to the mid-sixties, and in a somewhat weaker form until the end of the sixties. In 1960, there were 300,000 more births than deaths, and in 1965 about 330,000. Current population trends certainly come nowhere near a "baby boom," nor do they signify a decrease in mortality rates based on the population structure. Yet one needs to stress that with last year, the number of births among German families has once more increased. This is certainly related to the increase in marriages. However, it would be premature for the government to interpret this trend as a "success for its family policy", because it is well known that economically secure times lead to an increase in marriages and nurse the desire for more children. Overall, it is too soon to draw far-reaching conclusions.

It is questionable whether Germany's population will actually decrease to the extent of certain model calculations which envision a population drop from 56.6 million in 1985 to 56.2 million by the end of the decade. According to projections, the year 2030 will have only 42.6 million Germans, which, compared to 1985, would mean a decrease by 14 million.

Such models are clearly mathematically correct projections based on certain past trends and logical assumptions about the future, but they are also--unintentionally apodictical prophesies. The most recent trend in German birth rates demonstrates that gloomy assumptions or mechanistic "statistical projections" run the risk of becoming outdated all too soon by actual achievements.

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SOCIAL FEDERAL REPUBLIC OF GERMANY

IG METALL ADOPTS 'PATHBREAKING' PLAN FOR PROMOTION OF WOMEN

Frankfurt FRANKFURTER RUNDSCHAU in German 7 Aug 86 p 1

[Article by Ulrike Fuessel: "IG Metall Wants To Give Preference to Women--Board of Directors Concludes a Promotion Plan for Full-Time Employees"]

[Text] The board of directors of the IG Metall metalworkers union has resolved that more women are to be given political functions within the organization. Gudrun Hamacher, the board member presented the "Plan for Promoting Women in IG Metall to Full-Time Positions," which was passed unanimously. Since IG Metall is the first large political organization in the FRG to have a plan for promoting women, Mrs Hamacher promises that it will "send signals" and "serve as a model."

In the first phase of the plan to promote women, the goal of the union is to install women as functionaries in the upper echelons of the organization. Women currently fill 14.7 percent of such positions in IG Metall. The second phase is to increase the ratio of women to reflect their percentage in the metal industry (21.5 percent).

In areas where the board of the IG Metall itself is responsible for personnel policies, women in full-time positions compose 12.8 percent. The first concrete measure to be proposed is that at least one woman be employed as a "union secretary" in each of the nine districts of IG Metall except Berlin. This means that a woman of each of five districts (Essen, Hagen, Cologne, Munich, Muenster).

Mrs Hamacher believes it will be more difficult to implement the promotion plan in the 159 local administrations of IG Metall, which have autonomous control over their personnel policies. In this area, the plan only suggests lines of action. Women fill 3.9 percent of the full-time political positions in the local administrations, and 130 of these administrations do not have any women as functionaries.

The board recommended that particularly those local administrations with three or more full-time secretaries should, in the future, give preference to women as functionaries until their percentage reflects the number of members or employees. Since 46 functionaries in 38 local administrations will be relinquishing their positions by 1990 for reasons of age, their positions

could go to women. The statement "Preference is to be given to women will be included in announcements of positions. In addition, a specific personnel plan will be implemented.

Mrs Hamacher says that progress will be monitored and encouraged by the plan's requirement that the union committees at all levels report once a year on the status of the promotion of women. IG Metall board has targeted 1989, its sixteenth birthday, as the date for reaching the goals set forth in the plan.

But Gudrun Hamacher also points out that the promotion of women means more than just improving the numbers. It is necessary, she says, that more women become involved in furthering their education and that the working conditions become more accommodating to the family.

12399/13104
CSO: 3620/803

SOCIAL

FEDERAL REPUBLIC OF GERMANY

STUDY SHOWS YOUNG PEOPLE JOIN UNIONS, BUT MISTRUST THEM

Hamburg STERN in German 14 Aug 86 p 130

[Article by Heiko Tornow: "Anonymous Large Organization]

[Text] Although union memberships are increasing, an INFAS (Institute for Applied Social Science) study confirms a growing loss of confidence in the unions among younger employees.

The treasurers rub their hands with joy: For 2 years, the number of members in the 17 DGB unions has been rising again. And most of those joining are young people who expressed little interest in the unions in the early 1980's. The IG Metall alone now has 30,000 more members, and 5,975 young white-collar workers and apprentices have even joined the small "Knackwurst" union Food-Entertainment - Inns (NGG).

But the functionaries may have celebrated too soon: The DGB has been presented with a study conducted by INFAS in Bad Godesberg regarding the still considerable distance between young people and the union. The analysis reveals that the loss of trust in unions is above average among 18 to 24-year-olds: The "level of trust" sank from 57 percent in 1981 to only 46 percent 3 years later. The DGB national youth secretary, Klaus Westermann, warns against reading too much importance into the recent rise in membership: "That could turn out to be pleasing only so far as statistics are concerned."

The reservations that young employees have toward the DGB and its functionaries are deeply rooted. Although the INFAS study shows that one out of every two young workers feels that the traditional union demands for "greater solidarity" and "greater social equality" are important, only one out of five joins a union. And of these, only a few are active. Most of them look at the worker organization as an insurance provider.

The image of the DGB is particularly alarming among the young members of the Green Party. Although the members of the alternative movement are "ideologically nearer to the basic union positions" than are people their own age who are affiliated with the SPD, only 35 percent trust the huge DGB organization (compared to 70 percent among young SPD supporters).

Young SDU/CSU voters hold as little esteem for the umbrella organization of the German unions as do their counterparts in the alternative movement. They are turned off primarily by the "bureaucratically organized and anonymous large organization and its style of operation." The devastating Neue Heimat scandal and the embroilment of leading union officials in the wheeling and dealings of the construction company have also taken their toll.

Nevertheless, INFAS social scientists believe they have discovered a great potential for membership among an unexpected group--the followers of the Green Party. "There is common ground here for the union efforts among the youth, which, without resorting to opportunism, could combine the beneficial structures of the "old" and the "new" social movements.

Until now, of course, union officials such as Hermann Rappe, the chairman of the IG Chemie (industrial labor union for chemical workers), have ensured that a critical issue such as environmental protection has not become too important a subject. Rappe and other top conservative Social Democrat functionaries do not feel there are any possible allies, only opponents, to be found among the young members of the alternative group who think and act unconventionally. And this is one of the reasons that until now no official talks between representatives of the DGB national board of directors and the Greens have taken place.

12399/13104
CSO: 3620/803

SOCIAL PORTUGAL

STATISTICS ON NATIONAL EDUCATIONAL LEVELS

Lisbon DIARIO DE LISBOA in Portuguese 4 Sep 86 p 11

[Text] In the 1983-1984 school year in Portugal, 39.6 percent of the pupils enrolled in basic education (primary and preparatory levels) completed that level of schooling.

Secondary education was completed by 25.6 percent, middle-level education by 19.1 percent, and higher education by 10.8 percent.

Vocational courses were completed by 25 percent of the students enrolled.

Those percentages, published by the National Statistics Institute, confirm indications that many Portuguese children do not complete even the former legal requirement of 6 years of schooling.

Total enrollment during that school year was 2,098,111, with 89 percent attending public schools and 11 percent attending private schools.

In comparison with the preceding school year, a degree of stabilization was noted in the total number of students enrolled and in their distribution among the various levels of education, but there were a number of significant variations in the case of public schools. For example, preschool enrollment showed an increase of 3,534 due to the opening of 91 new schools; enrollment in basic education was down by 21,881; and secondary enrollment was up by 9,003 students, corresponding--according to ESTATISTICAS DA EDUCACAO--to 185 new schools and 2,530 students respectively [sentence as published].

Vocational courses showed an enrollment of 2,022 more new students than the year before.

In higher education, the most popular courses were, in descending order: social sciences, humanities, engineering, law, and medical, paramedical, and pharmaceutical sciences.

Compared to the EEC countries, and according to data from EUROSTAT/1985, Portugal's enrollment rate in terms of total population was 20.7 percent, putting it in 7th place on a list of 12 countries. Behind Portugal were

Greece (20 percent), the FRG (19.1 percent), the United Kingdom (18.6 percent), and Luxembourg (16.3 percent).

As regards the distribution of the student population by level of education, the situation is as follows:

With 5.7 percent enrolled in preschool, Portugal placed 10th at that level. In basic education, we occupied first place with 62 percent of our enrollment in that level of education. But in secondary education (confirming the big gap between those two levels), Portugal is the country with the fewest students (27.4 percent), while the FRG (53 percent) and the United Kingdom (50 percent) place highest.

As far as higher education is concerned, we are next to last in the Europe of the 12, with only 4.9 percent of our enrollment at that level. Luxembourg wound up behind us at 1.4 percent.

11798
CSO: 3542/1

SOCIAL TURKEY

ISLAMIC RELIGIOUS FOLLOWER ARRESTED

Istanbul HURRIYET in Turkish 4 Aug 86 p 11

[Text] Manisa - Guloren Sehirlioglu was brought to the public prosecutor's office for allegedly belonging to a religious sect and trying to brainwash young women by placing them under the spell of religious suggestion having drugged them first by a substance added to their milk. During his testimony he was heard saying, "we will bring the Khomeini regime to Turkey. The Ataturk regime does not suit our beliefs". This led to his prompt arrest.

Ali Ogulganmis (resident of Dilseker district Ogut street no.5) notified the public prosecutor's office alleging that his married daughter Nevin Kaya was tricked by Sehirlioglu into drinking drugged milk and subjected to religious suggestion. Ogulganmis filed a formal complaint saying, "my beautiful child was turned into a zombie by the sect members. She doesn't want to have anything to do with us anymore. Our religion does not say anything about fostering enmity towards one's mother, father, brothers and sisters."

Sehirlioglu, alleged to be a sect member, and Kaya were brought to the public prosecutor's office for their testimonies. Uttering words in violation of Ataturk principles and secularism, Sehirlioglu extolled the virtues of the regime in Iran. When he started saying things like "we will bring the Khomeini regime to Turkey, the Ataturk regime does not suit our beliefs", he was promptly brought before the court and arrested.

Photo Caption

1. Covered his face. It is alleged that Guloren Sehirlioglu, placed under arrest for having extolled the regime in Iran, belonged to a sect into which he recruited women by placing them under the spell of religious suggestion.

12466
CSO: 3554/174

SOCIAL TURKEY

RELIGIOUS RESURGENCE SAID PITTED AGAINST ATATURK REFORMS

Istanbul CUMHURIYET in Turkish 4 Aug 86 p 2

[Article by Assoc. Prof. Tahir Hatiboglu]

[Text] Religious education has been flourishing in the past five years. During this period compulsory religion courses have been instituted in all primary and secondary schools, the number of high schools for preachers has increased, quran courses have proliferated everywhere, whether open or clandestine, prayer halls and mosques have been installed in many state institutions, primarily the universities. And what more, religion courses have been made compulsory by constitutional fiat. As if all this is not enough those responsible for the administration of the country started to compete among themselves as to who is the most devout by reading suras from the "Quran" in order to win the race. And all this among proclamations of Ataturkism and secularism.

The desire to create a modern Turkey has been replaced by the desire to create a reactionary and conservative society. To this end all kinds of outdated practices have gained prominence and momentum. To add insult to injury all this is being done in the name of Ataturk and professing secularism. To realize their objectives in a short time they have compelled genuine Ataturkists and the science-minded people of common sense into inaction, into preoccupation with mundane problems to ease them out of potential opposition. Such an environment has provided a rare opportunity for reactionaries and conservatives.

What happened in the end? The number of high schools for preachers and the number of students in those schools have increased. Quran courses were started in every village and district. A race began to open prayer halls in every government office. Prayer halls and mosques have been put into display for show-off purposes and symbolic gesture rather than actual use. The number of people likely to pray in these

structures costing millions is few and far between. Moreover, it is so sad to see that a high-level organization in charge of universities - which are supposed to be scientific establishments - is allowing the use of good old headscarf calling it "modern turban". At the graduation ceremonies of some faculties Islamic requiems are being sung, prayers are said for a successful career. This is the point reached by our secular republic circa 1986.

Preacher Lycees

In Turkey it is the preacher lycees which are responsible for training preachers as career personnel. These lycees are middle grade schools enjoying equivalence with other vocational lycees that give professional and technical education. Therefore one is entitled to expect that their numbers and new openings would be regulated according to countrywide needs. Whereas this criterion is observed by other vocational schools, it is apparently no longer observed with regard to these schools. As a result there is a preacher lycee opened in every city, every township, and, in some cases, even small counties.

The 1984 figures indicate that in Turkey there are 374 secondary schools for preachers and 341 preacher lycees. In these schools 212,000 students are receiving education. The increase in the number of students as compared to four years ago is 65 percent, whereas during the same period (79-84) the numbers actually decreased by 1 percent at regular lycees, 9 percent at girls vocational lycees, 8 percent at commercial lycees, and 6 percent at agricultural lycees. The only vocational school showing an increase are the industrial vocational schools with a 20 percent increase in students. The 1986 figures point to a more negative picture than that.

In the Islamic religion the duties of preacher and caller from the minaret are performed exclusively by males. Though this is widely known the number of female students at preacher lycees has been constantly on the increase. The numbers have increased from 1,009 to 10,026 in four years (80-84). Thus the four-year increase is around 1,000 percent. As girls are not expected to join the profession this can be nothing other than a demonstration of resistance and symbolic gesture. It should not come as a surprise if we see many more girls preacher lycees opened in coming years. An interesting aspect of this phenomenon is that none of the people responsible for such decisions are known to be sending their own daughters or sons to these schools. That is why, historically, preachers and callers as well as vocational schools have been the domain of the poor and rural children.

Another interesting aspect of the preacher lycees is the following: Children are sent to these schools just after finishing primary school by the insistence of their families. The majority of those who had to attend the secondary level under such circumstances prefer to transfer to another school when it comes to the lycee. The 45 percent drop in the number of students at the lycee level demonstrates this. During the three years at the secondary level the children are able to see the reality and gain the strength to resist their families. They also come to believe that adopting another career would be more beneficial to themselves. Thus if the secondary level of preacher schools are abolished the number of students would drop immediately. In fact, in the post-12 Sep period there was such an attempt which produced some results. But the dominant forces did not like the look of things and had the secondary level reopened. These are among the very few professional schools which still maintain a secondary level.

Quran Courses

A version of open education is being put into effect through the agency of the "quran courses". In these places the Quran and the essentials of religion are being taught. The objective here is not to train professionals. But since only 3-5 percent of those graduating from preacher lycees actually work in that area the preachers and callers are usually chosen from among those who completed these courses. And there happens to be an intensive and clearcut competition between the two institutions - the lycees and quran courses.

The quran courses are ostensibly under the control of the ministry of education. It is questionable, however, whether they are really under any form of control. Apart from these there is another type of quran courses which is outside ministerial control and which operates under the name "pension" or boarding establishments. These are sprouting everywhere. Their ostensible purpose is to provide bed and board to secondary level and university students. They are quite numerous and easily identifiable with their similar structures. The solidarity among them is strong and the communications efficient. The administrators of these institutions are economically powerful and wield considerable influence in the political balance of the country.

Excluding the "pensions", in 1984 there were 2,350 quran courses. In the same year 105,000 students were enrolled in these courses and 63,000 students received their diplomas. Of the recipients 30,000 (60 percent) were girls and 25,000 (40 percent) boys. The preponderance of female students is notable here as well. 95 percent of those completing the

courses had attended primary school. People of all ages may attend these courses. As far as one can see the choice of the families is at play here just like in the preacher lycees.

The combined number of practical trade schools for girls and practical industrial trades schools is 498. They are at the same level of equivalence with the quran courses, and there are 93,000 students in these schools. The brief conclusion that emerges from these figures is this: In the 11-14 age group those not attending general education schools more are attending quran courses than courses teaching skills and trades.

Conclusion

One can recall no other 6-year period when there was so much retrogression in Turkey. Reactionary attitudes are being encouraged and supported by many organisations. Religious education has been made compulsory at all levels, preacher training schools have been increased, the opening of prayer halls and mosques at government offices has accelerated. At the same time in language and in clothing a retrogression has started and gained momentum. As if all this is not enough the president of the republic started addressing crowds quoting suras from the Quran and the sacred traditions. If those who are emboldened by the speeches of the president start quoting the suras and the traditions, or carry posters with suras written on them at open or closed meetings we should not be surprised. Starting last year the suras and traditions have already found their way into the textbooks.

Given these developments, progressive, enlightened and science-minded persons and organisations should remain as alert as ever. That is the only way to ensure that the dominant forces will not be able to realize their secret ambitions brought on by the reactionary trends. The public should be informed. There are those who exploit people's religious sentiments

As to the schools themselves, the number of preacher lycees should be adjusted to the actual demand for preachers. Furthermore, the secondary levels of the preacher schools should be closed like vocational schools. And the quran courses and those institutions engaged in clandestine religious education under the cover of boarding establishments should be subjected to frequent controls, and the goings on in these places should be made known to the public.

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SOCIAL TURKEY

COMMENTARY ON ISLAMIC RESURGENCE

Istanbul HURRIYET in Turkish 4 Aug 86 p 11

[Article by Coskun Kirca]

[Text] Does religious reaction exist in Turkey or not? There is a public debate going on nowadays with political parties, leaders and writers all engaged, all trying to shore up their political position by presenting their views on the subject. The debate is being conducted, however, in a rather non-productive fashion making it difficult to attain any result. This is mainly because there is a lack of consensus as to what is meant by religious reaction. We should therefore first clarify just what we mean by religious reaction.

What is a Westernized Society?

Since Descartes philosophers have maintained that reason is the main factor distinguishing man from other creatures, the only means through which man can understand himself and nature. Contemporary philosophy, however, admits that reason cannot by itself discover all the secrets of man and nature. Man has to have certain beliefs, presuppostions on which to base his decisions and actions in society. But within a certain framework man should act using his reason. Political regimes extolling human dignity are predicated upon such a philosophical basis. That is what westernized society is all about.

Religious reaction, on the other hand, means denying the predominant role of rational knowledge, scientific methods and criteria in determining social attitudes.

Ataturk wanted Turkish society to be westernized. He wanted our social attitudes to be governed by rational knowledge, scientific criteria and methods. To this end he established

the principle of secularism and embarked upon his reforms. These great reforms, brought about by the state, has been very successful on the whole.

Ataturkist Control over Religious Activities

Our legal system is now totally based upon secular principles and religious law has been eliminated from Turkish society. In areas such as civil law, criminal law, procedural law, public law religious influences have all but disappeared. But the reforms of Ataturk do not merely consist of legal secularization. He wanted to make sure that religion remains confined to the personal level and in no way displaces science and rational principles in the public domain. Wanting to extend secularism to all areas of society, Ataturk introduced legislation labelled Uniformity in Education. And by incorporating the department of religious affairs into the government machinery controls over religious activities were established.

What we are seeing now is retrogression in some of these areas. Religious training schools, established by the state to maintain control over religious functions, now take in more students than actually necessary. Consequently a certain group is continually increasing its numbers within the state apparatus - a group whose primary allegiance is to religion. It is necessary to review the whole question of state-sponsored religious training.

The rationale behind incorporating the department of religious affairs into the government machinery was making sure that the principle of secularism remained intact. Yet there are instances of deviation from secularism. The way some religious functions are carried out under the department of religious affairs is quite incompatible with secularism. More control should be exercised over quran courses and mosque sermons.

Ataturk wanted to see that religious conformism was not carried over to clothes and headgear. But what he actually intended was to ensure the predominance of reason in everyday life. Reforms concerning to men's clothing have been quite successful. Although Ataturk employed state power to overcome religious conformism in men's clothing he did not resort to state power to enforce women's dress code.

Clothes Incompatible with Freedom of Women

A question should be posed at this point: If scientific and rational attitudes are to predominate in society, under what

conditions and to what extent should one resort to the power of the state? And which are the areas where it would be more appropriate to leave matters to the natural development of society hoping that rational attitudes will prevail in the end?

Recently there has been a proliferation of groups seeking to demonstrate a certain conformism in women's clothing. There is no question that this tendency should be nipped in the bud. The problem is deciding which methods would be more appropriate in halting this tendency. We believe that, in this instance, a combination of enforcement and educational measures are called for. At the educational institutions we should continue to disallow the wearing of clothes incompatible with the freedom of women. And outside the educational institutions it is necessary to initiate a serious and intensive campaign of awareness.

Mosque in General Assembly

An undertaking incompatible with secularism is the building of a mosque at the General Assembly. Secular state institutions are supposed to have neither mosque nor church. A secular assembly cannot be identified with the place of worship of a specific religion. That is because the public is liable to perceive it as religion and state being mixed into one another.

Similarly the struggle against religious conformism,in which state officials from the president down are involved,should not be conducted by reference to religious principles because that , too , is incompatible with the notion of a secular state. The one state organ which might base its actions on principles of religion is the department of religious affairs. All other state organs should be conducting their struggle against religious conformism by means of reason and science.

Religious Reaction: A Danger or Not?

In my opinion, our society does not face any serious danger of religious reaction. Thanks to Ataturk Turkish society has come a long way. Forces alert to the danger of religious reaction are still in control. But it should always be borne in mind that since Imam al-Gazali closed the door of innovation Islam has been conceived as regulating almost all aspects of man's life, including state activities. Therefore all Ataturkists have the duty of being vigilant until such time that the following view is solidly established: Islam is a matter for individual conscience, a personally enlightening teaching but nothing more.

We should not exaggerate the dangers of reaction! True! And not because we have to tolerate it but because of our belief in the power of Ataturkism! And because of our trust that the torch of illumination planted by Ataturk will never be allowed to die out by the Republic!

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ECONOMIC

EUROPEAN AFFAIRS

OECD STUDY PREDICTS CONTINUING HIGH UNEMPLOYMENT IN WEST

Munich SUEDDEUTSCHE ZEITUNG in German 24 Sep 86 p 25

[Article by "ts": "Unemployment to Remain Big Issue in Industrial West"]

[Text] Paris (Report by our own correspondent)--Despite the drop in oil prices and the almost 4 years of recovery, unemployment in the Western industrial nations is unlikely to decline. This somber forecast is contained in an OECD report on the job situation in its 24 member countries.

Until the end of 1987, the number of unemployed throughout the Western world is likely to remain at about 31 million--which is 20 million more than at the start of the first oil crisis in 1973. Only in North America will unemployment continue to decline slightly, since the number of new jobs will probably exceed the number of job seekers. In Europe, on the other hand, the number of new jobs is growing only at the rate of growth of the working population. For this reason, the jobless rate is likely to stay at 11 percent this year and next, according to OECD projections. This would amount to more than 19 million unemployed by the second half of 1987. OECD is projecting a slight decline in the jobless rate in the FRG from 8 percent to 7½ percent as well as some decline in England, Belgium, Ireland and Spain. In France and several other countries the jobless rate is expected to remain at the present level; but it will increase slightly in Italy, Denmark, Finland, Greece, the Netherlands, Norway, Sweden and Turkey.

OECD also expects the 2-year decline in youth unemployment--which is still extremely serious--to continue through 1987. Nonetheless, the youth unemployment rate will still stand at 16 percent as compared to 11 percent in 1979 in the 12 countries which have made exact figures available. Spain is hardest hit, with 43 percent youth unemployment as against 35.5 percent in Italy. In the majority of the member nations the duration of unemployment has also been on the rise. The long-term unemployed, OECD finds, are in danger of getting caught in a trap and to lose touch with the labor market. OECD does not hold out much hope for the expansion of self-employment as a way of creating new jobs. The businesses established by the workers themselves are quite small

and usually employ no more than four persons. In the future, workers of this type will primarily be creating jobs for themselves alone. OECD also is skeptical with regard to illegal employment, estimating its share in total production in the highly industrialized nations at two to four percent.

The forecasts indicate that OECD also knows of no magic cure to help reduce unemployment quickly. But it does have some words of advice for the member governments, e.g. that they avoid excessive wage increases which would only serve to heat up inflation again once a further recovery has taken place which represents the only way to bring unemployment down to acceptable levels. Any appreciable drop in the jobless rate would either call for an accelerated growth rate, more rapid job growth as against output or both.

New Measures

OECD believes that it would be worthwhile to examine the compatibility between various economic policy strategies which the member governments are currently applying in the areas of taxation, social programs and investment subsidies. In addition, new programs must be undertaken in support of entrepreneurial initiative and the establishment of new businesses.

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ECONOMIC EUROPEAN AFFAIRS

EC, TURKEY FIND 1963 TREATY IMPOSSIBLE TO IMPLEMENT

Berlin DER TAGESSPIEGEL in German 20 Sep 86 p 3

[Article by Hermann Bohle: "EC-Turkey Treaty Is Unrealizable"]

[Text] Brussels, September--In the EC and NATO jargon, members of the other organization are referred to as "friends." And as long as NATO and the EC are not fighting for money the designation is quite apt. Of course that is not always the case. At a recent meeting in Brussels of the association council responsible for the EC's economic policy relations with Turkey, the Greek minister for European affairs tried to block Turkish membership in the EC from the very start.

The fact is that Turkey's application to become the 13th member of the European Community will soon be up for debate. When that will be is for Turkey to decide, British Foreign Secretary Howe told his Turkish counterpart. Howe made this by no means negative statement in his capacity as president of the EC Council of Foreign Ministers, a post he holds during the second half of this year. In a very few weeks, the council of foreign ministers will be debating a topical issue which is of some importance to all participants. On the basis of the 1963 treaty of association with Turkey, Turkish workers will be permitted to hold jobs throughout the European Community as of 1 December.

This agreement, entered into 25 years ago at a time of better than full employment, is unrealizable today. On his recent official visit to Turkey, [FRG] President von Weizsaecker found that his hosts accepted this state of affairs. Nonetheless, the treaty is on the books and it must now be adjusted to the new situation, however painful it may be for all concerned. The EC would be well advised to reach a quick decision on the type of compensation it is willing to offer to Turkey in exchange for its dropping its contractual demands. The treaty as such can no longer be termed valid in the sense that the conditions of 1963 no longer exist. International custom certainly provides for this--but in this case a deal among friends must be worked out.

This also applies in view of the fact that the treaty of association expressly stipulates later membership in EC at a time as yet to be deter-

mined. Associate membership in the community will make it possible for Turkey to enter into open competition with the experienced industrial nations. Greece signed a similar treaty with the EC in 1962, prior to Turkey. It has since attained to full membership although its economic development has not yet been completed. In 1981, Greece was brought into the community nonetheless: after 7 years of dictatorship under the colonels, the Greeks were to be admitted into the community of democratic nations once more. But now the Greek minister for European affairs aims to block any move to accord the same treatment to Turkey. When the generals seized power in Turkey in 1980, he argues, human rights and democratic practices were abandoned (the goal then was to overcome complete chaos) and these rights have only been inadequately restored.

A majority in the Strasbourg Council of Europe in which the 21 democratic nations of this continent are represented takes a different view of the matter. At a recent meeting of Council of Europe parliamentarians in Istanbul, Turkish Prime Minister Oezal was given formal notice of this position. The task now is to provide support for the democratization process which has not been completed by any means or, in other words, to help stabilize this NATO member nation which has traditionally been linked to Germany in friendship. For the same reason Greece, Spain and Portugal were also brought into the community--after democracy was restored in those countries although they are still far from attaining the Community's level of economic development. The Turks are entitled to be measured against the same standard. But since the EC would not be able to deal with a fourth new member for some time, new approaches will have to be worked out.

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ECONOMIC AUSTRIA

TAUS ON ECONOMIC PROBLEMS, NEED FOR GRAND COALITION

Vienna DIE PRESSE in German 20/21 Sep 86 p 5

[Article by Josef Taus: "A Separate Course ? Austria Is Not a Noah's Ark"]

[Text] For more than 25 years, during the post World War II era, we truly experienced an Austrian miracle. The rapid reconstruction; the restoration of our freedom; political, social and economic stability as well as a clearly defined foreign policy provided the basis for it and also won points for us internationally. When that course was abandoned, quite a few people thought that this minor miracle might be transformed into a major one and began dreaming of a glorious political and economic future for our country. Those dreams are over; the VOEST crisis is an indication of the rupture of Austria's economic base. Sobering realizations have given way to a permanent crisis. But Dr Josef Taus, a member of the national assembly and the OeVP's industry spokesman, is convinced that this crisis not our destiny and that a joint effort must be made to overcome it.

What are Austria's problems and what possibilities are available to us to help resolve them ?

Austria is--or at least still is--a developed Western industrial nation. More precisely: in economic terms, this small nation belongs to the bottom third of the OECD member states. This is another way of saying that Austria is one of the most progressive nations in the world in economic terms but is not one the leading nations in this category.

In addition, Austria is a Western nation; but we must define what we mean by "Western." The West is not a geographic concept; it is not an alliance or pact concept--it is a systemic political concept. The "West" includes nations, as Richard F. Behrendt has put it, which display the following characteristics: individual autonomy; widespread distribution of education, property and power - associated with controls over the rulers and the possibility to vote them out of office; free elections based on adequate information in the political realm and the possibility of effective

decisions on employer-employee relations and the disposition of income both in terms of consumption and investment. Quite clearly, this can only be done within the context of a free market economy. Only in the "West" has the attempt been made to risk political freedom in practice.

In other words, Austria's being part of the West does not raise the issue of our neutrality. We are not neutral in terms of systems, nor are we neutral in terms of social policy--but we are a part of the West. There should be no doubt about that. This is why any "third way" concept --even if merely used for reasons of political opportunism at one particular stage or another--can only create confusion in that it might signal Austrian adherence to another political system; a kind of attempt at a practicable convergence of systems. This cannot work; it leads to confusion and insecurity and perhaps even to a temptation to disengage oneself from the unpleasant and painful developments in the West. This "third way" or "Austrian way" was bound to lead to exaggerated structural conservatism, particularly in the economic sphere; any such attempt at forestalling structural changes which are almost inseparable from the economic development process simply had to go awry.

The supposed good deed turned into a painful crisis of the kind the nationalized industry is currently experiencing.

Let me say a word right here on Austrian socialism. It has a long and markedly ideological tradition. The dream of a socialist society was more vivid among Austria's social democrats than among many other socialist parties in Europe whose ideological roots were not as deep and not exclusively tied to the Marxist--and subsequently to the revisionist--school of thought. Until this very day, this dominant ideological past is reflected in the party's programs.

Without a doubt, this ideological tradition was extremely helpful in the development of the formula of a "third" or "Austrian" way which, for that matter, was only partially pursued in practice. The fact is that however much I might disagree with the socialists on political issues, one cannot accuse the Austrian socialists of having pursued an out-and-out anti-Western policy. The OeVP, to be sure, has frequently resisted the attempts to pursue the "Austrian way" but more in terms of individual critique than in terms of an outcry by the party as a whole. The corporatist heritage may have acted as a restraining factor in this regard. The FPOe played virtually no part in these controversies.

The primary task for the future is to reestablish the fundamental consensus on systemic political issues. Are the socialist functionaries as a group prepared to accept the stated abandonment of an almost 100 year-old tradition for which their political antecedents fought and at times even risked their lives , e.g. the holy cow of nationalization ?

The socialist party program of 1978, which is still in effect, states that "capitalism has changed but its decisive characteristics remain. Even in modern industrial society, the representatives of business--be they owners or managers--still decide on production, investment and thus on jobs. Their decisions are not based on long-range social planning but on anticipated profits and the pressure of competition. Particularly in times of crisis, this results in a curtailment of necessary investment or the use of available funds for rationalization measures to save jobs.

In the capitalist economic order, social needs are ignored if meeting them does not serve to enhance profits. This results in production conditions which destroy the natural environment and do physical and psychological damage to human beings. Even today, in modern industrial society, the dynamics of economic development are determined by profits and uncontrolled growth rather than the satisfaction of human needs."

The document goes on as follows: "In the capitalist industrial nations, new forms of poverty and alienation are emerging--particularly in regions which are threatened by structural unemployment and among segments of the population which have not been integrated into the production process or are not represented by the major interest organizations. This economic order which is based on profits and competition gives preference to self-interest and indifference at the expense of cooperation and solidarity."

The next problem which needs to be resolved concerns the role of the state and its steadily growing all-powerful bureaucracy. In this regard, the socialists had an easy time of it in Austria. The Austria of old, the monarchy , was not an industrial nation but a centrally administered state of soldiers and bureaucrats. Public officials and soldiers enjoyed greater prestige than businessmen, scientists, artists, workers, the white-collar class and the peasantry.

The soldiers have not been able to retain their prestige; in view of our country's history in this century that is not very surprising. But officialdom, represented by the bureaucracy and the political functionary, has by all means retained its prestige. Every Austrian is well acquainted with officialdom--the state as an entity supraordinate to the individual citizen.

It was one of the preconditions for the success of the socialists that the solution of problems by politicians and bureaucrats was accepted or even desired by the Austrian population. The promise that the government, the party and the bureaucracy would take care of all problems was always viewed as good and proper. Political parties are service organizations and as such they tend to create machinery for intervention. People complain about this; but in the end they accept it. The Austrian (not merely the socialist) way of looking at things provided the framework for all

kinds of programs, e.g. the "modernization" of the country; more state control and influence on the economy; more just distribution; equal opportunities in education or the leadership role of nationalized industry.

If we continue reading in the 1978 SPOe program, we can get an idea of future developments in the "social economy."

"In achieving social democracy, a major role is assigned to the social economic sector, i.e. the nationalized enterprises, the cooperatives and the public utilities, in the area of social and structural policy.

The enterprises of the social economy are called upon to work toward exemplary cooperation between management and the labor force. Social policy experiments should be designed and tested.

The attempts to privatize the public service industry must be vigorously resisted because an adequate and socially just satisfaction of the people's needs can only be guaranteed through publicly owned enterprises. In the final analysis, privatization of public services will place a heavier burden on the individual citizen because of the profit motive involved.

There is a need to create new and improve existing organizations to safeguard the public interest."

This is exactly what will have to be changed in many areas.

In addition to the renewal of the basic consensus, we will also have to expand on existing freedoms and create new ones while doing away with and simplifying regulations. The aim will be to send new signals and to create a new relationship between the individual citizen and the state.

The Western system draws its strength from the possibility of permanent change; the application of new knowledge; gradual correction of mistakes and the questioning of positions and attitudes. It does not conserve by any means--which is a fact that is often overlooked. This may not appeal to some people but, as Golo Mann has written, our civilization is based on performance. It was created by dint of work and can only be maintained by work. Merely to maintain it--so as not to speak of growth and progress--calls for an immense amount of special know-how and services as well as a great deal of effort. In its absence, it would stagnate and decay. In a word, we are part of a learning society. Just to maintain what we have already achieved, we must have a wide-ranging educational apparatus.

The centuries-long struggle for equal opportunity in education has culminated in the learning society. Instead of devoting oneself to learning for the sheer pleasure of it (and I do not mean this in a cynical way), learning has been and still is viewed and portrayed as a maliciously repressive feature of a demonic society based on performance. The alternative is to study for a long time but to learn less. But that means abandoning the plans for raising the educational level of the greatest

number and replacing it by making education easier and bringing standards down. But that was not the true meaning of the struggle for securing equal access to all educational institutions.

For my part, I consider it sad that an obviously intelligent 18 year-old girl who was chosen as president of the student council would write to a daily newspaper asking for budgetary funds to be administered independently by the students in order to be able to mount a public demonstration--which is the example she herself offered. It appears that the desire to obtain public funds has already taken root in the heads of the very young.

The state has thus been turned into a self-service market. That could turn out to be a threat to democracy. That needs to be changed: all democratic parties must have an interest in this. That must not be the end result of the struggle for equal access to educational institutions for all.

In addition, we are faced with an ecology debate which threatens to spawn a peculiar kind of ideology, a new gospel of assured survival. It contains ascetic elements and attracts romantics, classic types who want to change the system from the left camp and many fainthearted people. That could turn into a politically explosive mixture. At this point, no one can say exactly what direction this will take. Thus far, the "faithful" in this camp have not formed a party. But a new gospel for the salvation of humankind could emerge--and such gospels are undemocratic by definition. Anyone who believes that he alone possesses the truth will not soon be ready to change his mind, to compromise or to accept the power of argument.

In Austria and the other German-speaking countries, this debate is being carried on in a different way from the other Western industrial nations, i.e. it is more emotionally charged, angrier and far less pragmatic. For Austria, this is not without danger: when large segments of industry are caught in an existential crisis, an ecology debate not conducted along pragmatic lines represents an obstacle on the road to acceptable solutions.

No one who is at all reasonable could be opposed to protecting the environment. By the same token, none of us mortals could possibly believe that there can be a future totally without risks or, as Manfred Eigen and Ruthild Winkler have put it, it would be an illusion to think that a world population numbering in the billions could continue to live on without risk--even as a "scarcity society." Austria must do everything in the environmental sector which is state of the art in the Western world. But we cannot do any more than that and it would also make no sense to do whatever we do on the 32,000 square miles which make up our territory. From an intellectual point of view, at any rate, environmental protection will not do as a doctrine of salvation; but that does not mean it could not become one in a political sense. If Austria once again tries to pursue a "third way," no one will join her as before. That is the political message we need to understand.

We are courting an industrial disaster; the reputation of our country as an industrial nation is at risk. No political faith healer can help correct this situation. The solution can only come from consensus, hard work, expertise, political common sense, solidarity and a determination to correct mistakes. We must change course. There must not be any taboos; we must make a national effort to turn the rudder around. To do this, we need at least several years of greater-than-average stability.

The events of the past few days have demonstrated the weaknesses of the small coalition. It was an inadequate arrangement. No purpose is served by looking for the guilty party. The voters are now called upon to decide. Any future government will have to be based on a broad parliamentary majority. My personal preference would be an OeVP majority. In parliament, I have said often enough that neither of the two major parties can hope to resolve the problems we face singlehandedly. The SPOe itself has given proof of that by calling for early elections--a move which had been rejected out of hand for months. Joerg Haider's election as chairman of the FPOe provided a welcome opportunity to call for an early end to the coalition.

Once again, there is talk of a grand coalition. I admit that I think such a solution would make sense for the next several years. A grand coalition cannot perform miracles; but its policies will certainly not be any worse than those of the all-socialist government or still of the red-and-blue coalition which has just collapsed. There are are problems connected with a grand coalition, too, of course--and it is not a permanent solution but it could set the course on two or three major issues such as the budget and the problems of industry as long as the consensus holds.

Our room for maneuvering is none too large. We must carry out a course correction. The erstwhile Austrian wonderland is called upon to show that it is equally capable of mastering crisis situations in the eighties and nineties of this century.

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ECONOMIC FINLAND

FINLAND FACES PROBLEMS OVER BIG SOVIET TRADE SURPLUS

Negotiations over Surplus

Helsinki HELSINGIN SANOMAT in Finnish 11 Sep 86 p 25

[Article: "Surplus Problem Still Unresolved; Laine and Aristov Negotiate in Moscow on Different Alternatives"]

[Text] Foreign Trade Minister Jermu Laine negotiated with his Soviet colleague, Boris Aristov, in Moscow on Wednesday on the reduction and financing of Finland's export surplus. Solutions to the surplus problem proposed before the negotiations were among the basic items discussed.

Before the negotiations in Moscow Laine had said that he intended to propose to Aristov a postponement of payment of the Soviet debt. According to Laine, some of Finland's accounts receivable generated this year could be handled through a special interest account. Some, on the other hand, could be discharged by increasing imports next year beyond our export volume. Some of the additional imports could be reexported to third countries.

Laine participated in the inauguration of Neste's [state oil company] new business office in Moscow.

Neste general manager Jaakko Ihamuotila discussed the price of crude oil, additional imports and the reexportation of imports to third countries with the Soviets in Moscow. He also discussed increases in chemical raw material imports with them.

Finland's Accounts Receivable Amount to 340 Million Rubles

The simultaneous collapse in the world market price of crude oil and the drop in value of the dollar are behind Finnish-Soviet trade problems. The Soviet Union bills Finland in dollars for the crude oil it sells us. The Finnish-Soviet trade is a reciprocal trade. The principle involved is that the values of imports and exports tally annually. The right to a 300-million-ruble surplus has been agreed on in order to compensate for fluctuations. If that limit is violated, the partners must enter into negotiations to reduce or finance the surplus.

Many different alternatives for financing the surplus have been discussed in the press, alternatives among which the partners have not so far made even tentative choices.

Raising the credit limit would probably not, however, be a realistic alternative. The credit limit aimed at counterbalancing temporary disturbances is 300 million rubles. In August we exceeded that. The surplus is already between 340 and 350 million rubles. The credit due Finland from the Soviet Union threatens to rise to 700 million rubles, or roughly 5 billion markkas, by the end of the year.

We have had experience before with a solution by means of which the surplus portion was transferred to a special account. This, however, created the problem that the following year's exports were automatically reduced. This is why that model is not felt to be a good one from Finland's standpoint.

If, on the other hand, we were to get rid of the surplus by correspondingly reducing exports over a period of several years, the interest would be a problem: Who would pay it?

It would be to Finnish exporters' advantage to get the Soviet Union to buy on credit at the going international interest rates. Trade would again be balanced within the next few years. For reasons of principle the Soviet Union is not very willing to assume a foreign currency debt. It is not that superpower's policy to become indebted, rather that is considered to be inexpedient.

Nor has Finland the means to grant the Soviet Union interest-free credit since that would mean that it would be just as indebted to the West.

For financial policy reasons it is felt that the Bank of Finland would not particularly like to develop credit arrangements because it fears that they would foster inflation.

At the Bank of Finland they do not acknowledge that these suspicions are warranted. In response to these conjectures, they state that the central bank participates in a common front headed by our trade policy leaders.

And What If Oil Becomes More Expensive?

As a rule of thumb, it is felt that a change of $1 in the price of a barrel of crude oil will mean about 50 million rubles a year in the Finnish-Soviet trade if the number of buyers is the same as in the past few years. If oil should become more expensive in early October, the effect of the rise in the price of the dollar by the end of the year could be on the order of 10 million rubles.

Estimates of the size of the rise in the price of oil are, however, so far only guesses. There are different views on the evolution of prices, but it is difficult to judge how good they are.

Even if oil does become more expensive, the new prices will not be in time to have much of an effect on this year's trade surplus. What complicates the matter further is the fact that Neste does not pay its trade partners in cash for Soyuznefte exports, rather some of the second semester deliveries will not be paid for before next year. Therefore, oil payments will not essentially ease the account surplus this year even if oil should become substantially more expensive.

Supplementary Imports Have Increased 70 Percent

It is hard to give a reliable estimate of the final export figures for this year. We have information on the agreements that have been signed, but some of the payments will not be received before next year.

In any event, the account surplus tends to increase. The surplus will not remain fixed at the present figures.

The value of Finland's machine and equipment imports from the Soviet Union has increased by about 70 percent this year over that of 1985.

Unlike what has been maintained in the press, the two countries have not concluded a separate agreement on the doubling of machine and equipment imports.

In cooperation with industry, the Trade and Industry Ministry has actively tried to generate additional imports from the Soviet Union. The principle has been: "Let's pick that berry too." It is obvious that the basic problem will by no means be resolved by new exports.

About 50 million rubles worth of additional imports have been brought in this year. Exact, up-to-date figures are not available. In the spring the Soviet Union presented its own 200-million-ruble supplementary imports program for 1986.

One of the most important supplementary import products is coal, about a million tons of which we have agreed to import in the trade protocol. We set ourselves the goal of doubling that figure in the spring. We will scarcely achieve this goal, but a total of about 1.6 million tons will apparently be imported into Finland from the Soviet Union this year.

A million tons of coal costs about 30 million rubles. So the value of the additional imports would be less than 20 million rubles.

IVO [Imatra Power Company] has concluded an agreement to import more electricity, according to which they will buy 0.5 terawatt-hours. That is worth from 7 to 8 million rubles.

Supplementary import deals for different kinds of chemical industry raw materials have been concluded. As early as midsummer they amounted to about 10 million rubles.

A billion rubles worth of additional imports were agreed on in June 1986 for the remaining years of the term of the general agreement, from 1987 to 1990. Therefore, this will mean an increase over the volume already agreed on in the general agreement of 250 million rubles a year.

Accord on Surpluses a Term of the New Agreement

Next year's trade with the Soviet Union will be an unresolved problem as long as issues relating to the reduction and financing of Finland's surplus are not settled.

Finland's list of desirable imports has already been submitted to the Soviet Union. The list is only a preliminary one since not all those that are desired have yet been received and we do not have any information on the Soviet Union's willingness [to supply them].

Finnish industry and officials have very diligently compiled the list. Business firms are very surprised at academician Abel Aganbegyan's statement that Finland could have prevented the present problem beforehand by diversifying its imports from the Soviet Union in time.

Those familiar with the potential for Soviet imports remind us that the basis for trading must always be the natural demand. It does not pay to import goods which we do not need here. In many fields there are important technological differences between the Soviet Union and Finland which narrow the possibilities of importing products.

Both partners have announced that they wish to continue to keep trade at a high level of volume in keeping with the general agreement. Increasing our Soviet imports is considered to be the first problem to be resolved so that Finland's exports would not have to be reduced. Since it is difficult to substantially increase imports, we have had to look for other solutions.

One solution is, for example, the reexporting of oil and other products from Finland. A second measure, which would complement the latter, is the development of surplus credit and payment arrangements. A third model would mean making the payment clearing system between the two countries more flexible.

Vayrynen Attacks, Sorsa Under Siege

Helsinki HELSINGIN SANOMAT in Finnish 11 Sep 86 p 25

[Article: "Center Party Touches Off Dispute over Soviet Trade"]

[Text] The Center Party (KEPU) has touched off a dispute over the handling of our Soviet trade that is putting relations between the chief government parties to the test. In KEPU leaders' opinion, the magnitude of the Soviet trade problems has been underestimated.

In an interview granted a Centrist newspaper, KEPU chairman, Foreign Minister Paavo Vayrynen, went so far as to raise the possibility of a government crisis if the Finnish-Soviet trade balance problems are not quickly resolved.

The Social Democrats control the Finnish-Soviet trade. The Finnish chairman of the joint economic commission between the two countries is Prime Minister Kalevi Sorsa and the vice chairman is Foreign Trade Minister Jermu Laine.

The leading Social Democrats did not want to take a stand on Wednesday on the accusation regarding the Soviet trade. They will, however, get back to the matter today, Thursday. The Social Democratic Party Executive Committee is meeting this morning. The KEPU Executive Committee is also meeting this morning.

The KEPU leadership's new appeal is regarded as a political maneuver that is connected with Vayrynen's presidential campaign. The fact that all of the important Soviet trade posts are in the hands of the Social Democrats offers the KEPU leadership a juicy opportunity to pounce on the Social Democrats through trade problems.

KEPU Latches Onto Sorsa's Statement

On Monday the KEPU party administration latched onto Sorsa's optimistic statement about the Soviet trade which was published in SUOMEN KUVALEHTI last week. Sorsa said that he did not believe that there would be any dramatic cuts in the Soviet trade.

In the opinion of the KEPU leaders, Sorsa greatly underestimated the trade surplus problems. They felt that the prime minister's statement was "unfortunate and rash." According to KEPU reports, Finland's need for cutting exports may even rise to over 6 billion markkas if additional imports are not found.

The KEPU newspapers continued their criticism of the handling of the Soviet trade on Wednesday by publishing the Vayrynen interview. In it Vayrynen pointed to the possibility of a government crisis if the government cannot quickly find a common approach to the solution of economic problems.

Not even Soviet Deputy Chairman Pyotr Demichev's assessment of the situation, according to which "the problems that have arisen in the trade balance can certainly be resolved," has dispelled Vayrynen's concern over the Soviet trade.

Demichev, who attended Urho Kekkonen's funeral, offered his opinion on Monday when he met with President Mauno Koivisto. Foreign Trade Minister Laine said in SOSIALIDEMOKRAATTI on Wednesday that Koivisto's view of the matter was the same as Demichev's.

The meeting between Koivisto and Demichev was only mentioned in passing in Vayrynen's interview published by the KEPU newspapers. Vayrynen did not venture to comment on the president's views on Wednesday. He stated to HELSINGIN SANOMAT that he had not seen the memorandum on the meeting.

High Interest Rates in the Same Package

In his interview by the Centrist newspapers, Vayrynen linked the Soviet trade with high interest rates. He reminded us that, as it is, the surplus is already a sizable problem. "But to boot, it's obviously the most important reason for the speculation that has been generated in the money market and, therefore, also for the high interest rates," he said.

Abroad, they reckon that the Soviet trade difficulties will force Finland to look for new markets in the West. In the opinion of the "speculators," however, we will not succeed in this unless the Finnish markka is made less costly through devaluation, KEPU economists say and remind us that the Bank of Finland had to raise daily interest rates to a peak of 40 percent when it was fighting devaluation rumors.

"In other words, solving the problems of the Soviet trade is the quickest and most effective way to go in striving for lower and more stable interest rates," Vayrynen said.

Vayrynen said that he feared that in the worst event the Soviet trade situation might "destroy the whole clearing system, the preservation of which both countries have considered to be very important." Vayrynen predicted that Finland would have big economic problems next winter and more unemployment than anticipated if these problems are not taken care of.

Neste Agreement on Oil Prices

Helsinki HELSINGIN SANOMAT in Finnish 11 Sep 86 p 25

[Text] Neste reached agreement with Soyuznefteexport on Wednesday in Moscow on, as far as is known, an approximately $2 hike in the per-barrel price to be paid for crude oil.

According to general manager Jaakko Ihamuotila, the price, which is retroactive to August, will be somewhere between the price paid in July, which was slightly under $10 a barrel, and the current world market price. The world market price is now about $14 a barrel, depending on the quality of the oil.

On Wednesday evening Neste's management also continued negotiations on September prices. According to Ihamuotila, reaching agreement on this will be somewhat difficult since world market prices are not stable enough.

With the exception of little rises, the price of crude oil fell continuously from fall of last year until the end of July and early August of this year when OPEC surprisingly reached agreement on reducing its production in the fall of 1986.

At the end of last year crude oil was selling for from $25 to $28 a barrel on the world market. Finland was still paying $25.50 for Soviet crude oil at the end of the year. The price also fell by leaps and bounds in February, March, April, June and July.

At the end of July Neste and the Soviets agreed on, as far as is known, a price of under $10 a barrel.

The collapse of the price of crude oil has on several occasions also lowered the consumer prices of oil products in Finland. Not all drops in raw material [prices] have, however, been passed on to consumers.

The present gasoline and diesel prices date back to early May. They are based on a crude oil price of about $13 and an exchange rate of about 5 markkas to the dollar. Thus a $3 or $4 a barrel rise in the price of crude oil does not necessarily affect the consumer prices drivers pay at all. Moreover, the dollar has been worth less than 5 markkas for some time now.

On the other hand, light and heavy fuel oil prices may rise.

In addition to fluctuations in crude oil prices and the value of the dollar, switching to a sales tax for energy taxation starting with the first of August has in the past few months lowered consumer prices.

Since the first of August consumer prices have been as follows: 2.85 markkas a liter for 92-octane gasoline, 3.03 markkas for 99-octane gasoline, 2.08 markkas for diesel oil, 86.7 markkas a liter for light fuel oil and 53.5 pennis a kilogram for heavy fuel oil.

OPEC Sticks to Cutbacks

In early September OPEC (the oil exporting countries organization) production began to drop in accordance with the resolutions adopted in July from an earlier 21 million barrels a day to 16.8 million barrels. The biggest producer, Saudi Arabia, has indeed lately more and more been producing well over the 4.3-million-barrel quota "it is entitled to."

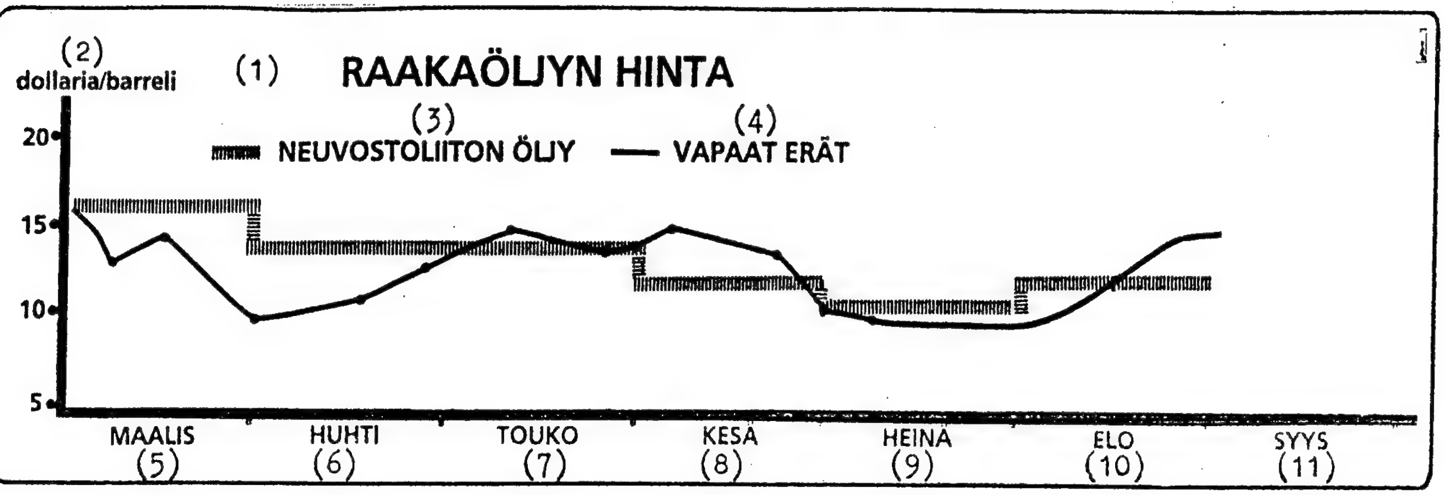
However, the AP-DJ news agency reported on Wednesday that the second-largest producer, Iran, is unable to produce the 2.3 million barrels it is entitled to. Its inability is, among other reasons, due to the fact that its neighbor, Iraq, which is engaged in fighting it, has been interfering with shipments from Iran.

According to experts interviewed by AP-DJ, Iran's production is only under 2 million barrels and that country uses 700,000 barrels of that amount for itself. This being the case, only slightly over a million barrels are left for export.

OPEC intends to keep its production under 17 million barrels in September and October. American oil experts feel that this is possible, but also say that OPEC's plentiful summer production will maintain its oil reserves at a high level for a long time to come. These large reserves will, in turn, keep barrel prices from rising suddenly.

On Wednesday the price of free consignments was roughly $14 a barrel. Prices are rather gradually dropping, which reports of the volume of Saudi production also confirm.

The OPEC ministers plan to meet in Geneva on 6 October to discuss extension of the September-October limits.



Key:
1. Price of crude oil.
2. Dollars a barrel.
3. Soviet oil.
4. Free consignments.
5. March.
6. April.
7. May.
8. June.
9. July.
10. August.
11. September.

Basic Agreement Reached

Helsinki HELSINGIN SANOMAT in Finnish 12 Sep 86 pp 3, 29

[Article: "Next Year's Exports Will Not Be Reduced Because of the Surplus; Finland Submits List of Products It Desires Which Will Stabilize Trade"]

[Text] On Thursday Foreign Trade Minister Jermu Laine confirmed the fact that Finland and the Soviet Union have reached a common understanding on the basic problem of the Soviet trade.

The problem produced by the drop in the price of crude oil will not be allowed to reduce trade already agreed on for next year in the general agreement; instead settlement of the Soviet debt will be deferred for several years. Laine has discussed the matter with Foreign Trade Minister Boris Aristov in Moscow.

Finland has submitted to the Soviets a list of the products it wishes to import.. If it is implemented, according to Laine, trade will increase to a bigger volume than this year's. According to the list, coal imports would increase to 3 million tons as early as 1987. This year 1.5 million tons will have been imported.

According to Foreign Trade Minister Jermu Laine, Finland and the Soviet Union reached a "common understanding in principle" in Moscow on Wednesday on resolving Finland's export surplus problem.

Laine said that he and Foreign Trade Minister Boris Aristov are of the same opinion, that the surplus over the Soviet trade credit limit will not reduce next year's export volume.

Therefore, recovery of the debt may be postponed for several years. According to Laine, "neutralization" of the debt is also the position Aristov takes.

The credit due Finland from the Soviet Union may swell to at least 700 million rubles, or about 5 billion markkas. According to Laine, Finland is offering a model to finance the outstanding debt according to which the portion of the Soviet debt in excess of the credit limit would be financed through a solution based on a special interest account.

The discussions on next year's trade will now, in Laine's estimation, really go into high gear. Negotiations on the details of a solution to the surplus problem and on the practical arrangements will next be resumed at the end of September in Moscow in connection with the talks on trade in 1987.

Next year's export volume will, according to Laine, depend essentially on how much import volume increases in 1987. In any event, Laine said that he believes that the volume of trade will not significantly drop next year.

Finland has submitted to the Soviets a list of the products it wants to import. If it is implemented, the volume of trade will increase to even more than this year.

According to the list, coal imports would rise as early as next year to 3 million tons, whereas this year we will be importing about 1.5 million tons and last year we imported a million tons.

Electricity imports would rise next year by about 20 to 30 percent. There would also to some extent be more natural gas.

Next, the Soviet Union will study the list and decide what chances it has of increasing its exports.

Reexportation As a Partial Solution

Reexportation, or the exporting of products imported into Finland from the Soviet Union to third countries, will also be raised in the talks between the two countries. "Reexportation is not a new thing since Neste has exported oil that way before," Laine noted.

Importing just for forwarding will, however, cause the Soviet Union problems involving its principles. "As they see it, the Finnish-Soviet trade is trade between the two countries. Imports to be forwarded would not be that and that is why this is a new point of view for them, the adoption of which would obviously require political decisions," Laine said.

Laine also pointed out that those products imported on condition that they be forwarded are the same ones that have produced foreign currency income for the Soviet Union. That country would not want to make fundamental cutbacks among them for the good of Finnish exports.

Neste used to forward Soviet oil to third countries during the early 1980's. At the time the Soviet Union criticized Neste's actions. We Finns defended our actions on the grounds that only about 15 percent of the products forwarded by Neste were originally from the Soviet Union. The scope of these operations was only on the order of several million markkas.

Opinions Vary

Opinions on the significance of Laine's comments vary. Soviet trade experts consider the situation to be so sensitive that they do not want to comment on it in their own names.

Many of them are content with matter-of-factly stating that no decisions have been made nor anything concrete agreed on.

According to one estimate, Laine and Aristov's "mutual understanding" means that the partners will define the situation in common terms that are somewhat more concrete than before. "Mutual understanding" will probably also mean corroboration of both parties' earlier expressions of determination.

Let us note, however, that achievement of this would not mean very much since there are enough practical problems.

The two countries are concluding a 5-year general agreement on the Soviet trade. A trade protocol will be concluded annually. The principle involved is that import and export volumes will be of equal size. To compensate for fluctuations caused by changes in world market prices, it has been agreed that the two countries will grant each other interest-free credit amounting to at least 300 million rubles a year.

Therefore, there will not be any decisions on the amount in excess of the limit after Laine's visit either, nor will they be produced without preparation by credit and foreign currency experts.

If Everything Really Goes Badly

Finland already holds an outstanding debt incurred by the Soviet Union that is in excess of the credit limit, one on which it has not so far received any interest. Since the debt is undeniably growing, financing it is becoming a burning issue.

If the two countries cannot agree on special measures and if, furthermore, the world market price of crude oil remains unchanged -- that is, if everything goes as badly as possible from the standpoint of Finland's exporters -- it would, according to the general agreement, mean a new additional credit of 700 million rubles due Finland in 1987. It would be completely over the credit limit.

According to this scenario, and if the chart keeps to a steady rate of increase, by some time in mid-1988 Finland will be forced to entirely suspend its exports to the Soviet Union. The remaining trade between the two countries on the basis of the general agreement until the end of 1990 would be engaged in such that the Soviet Union would import goods to pay off its debt to Finland.

Those who, like Foreign Minister Paavo Vayrynen, want to adjust the government's policy quickly point to the magnitude of the problems. Since exporting to the West is now moderately attractive, it might be easier to make decisions that are of necessity as repugnant as can be now than in the late 1980's under circumstances we can only guess at.

Optimists point to the possibility that oil will become more expensive. However, the 1986-1990 general agreement was formulated when the price of crude oil was $28 a barrel. We do not believe that the price will rise that high in the next few years even though the oil exporting countries organization, OPEC, is getting bolder.

The Soviet Union has not been in any great hurry to reach a decision. That country has the whole time been able to enjoy interest-free credit, which is now beginning to amount to 350 million rubles. Another reason for their slowness to act has been the effect of Mikhail Gorbachev's economic reforms: Confused decision-makers are averse to making quick decisions.

USSR Trade Must Be Balanced

Helsinki HELSINGIN SANOMAT in Finnish 18 Sep 86 p 29

[Text] The Finnish-Soviet trade negotiators who will be going to Moscow next week have strict instructions. Exports to and imports from the Soviet Union must be balanced. Otherwise Finland will have to trim its exports by as much as 40 percent. The cutback would affect all exporters on an equal basis.

The round of trade negotiations to begin next week will last until the end of the year.

In addition to the trade delegation, a Bank of Finland delegation that is to go to Moscow next week will during this phase negotiate the financing of this year's Finnish export surplus. The surplus will amount to 700 million rubles, or about 5 billion markkas.

The drop in the price of oil this year by about a third in comparison with what it was last year has produced the surplus.

Finland made an official proposal on financing it last week. On the basis of the proposal, the portion in excess of the 300-million-ruble clearing account limit would be transferred to a separate credit on which the Soviet Union would pay interest.

The Soviet Union has proposed a ruble credit.

From Finland's standpoint, a ruble credit is not possible without eliminating the risk of [fluctuating] exchange rates by, for example, tying the exchange rate of the ruble to another foreign currency. Devaluation of the ruble is regarded as possible within the framework of the Soviet foreign trade reform. With an outstanding debt of from 5 to 10 billion, even a small devaluation is a sizable affair. A ruble tied to another foreign currency would also be troublesome because it can only be used in the Soviet Union.

Thinking in terms of the national economy and our financial policy, the surplus is a difficult business for Finland. A large amount of money is tied up in the USSR. If exports continue as they are now, the Bank of Finland will have to finance exporters and that would be hard on the markka.

In terms of financing, the Bank of Finland will also have to consider the possibility of special accounts or raising the credit limit for trade. Special accounts were used between 1982 and 1984. At the time the situation was easier than now because oil was expensive.

The present outlook for next year is a difficult one unless solutions for financing and additional imports from the Soviet Union are found.

Ready in December

The foreign trade ministers of Finland and the Soviet Union plan to sign a trade agreement in Helsinki in December. By then the picture of the evolution of the price of oil will be clearer than it is now.

Economic relations will evidently be discussed at a high political level before it is signed. Yegor Ligachev, the number-two man of the Communist Party of the Soviet Union, will be arriving in November as a guest of the Social Democratic Party. He is expected to meet with President Mauno Koivisto in addition to Prime Minister Kalevi Sorsa. Trade problems are believed to be on the agenda for the talks.

Both Finland and the Soviet Union's political leaders have maintained as a goal preservation of the volume of trade between the two countries.

The Foreign Ministry's undersecretary of state for trade policy, Paavo Kaarlehto, told the STT [Finnish News Bureau] on Wednesday that the initial dispositions for the negotiations approved by the delegation on Wednesday

were also discussed in this country's government. Kaarlehto did not wish to predict what the volume of trade would be. He did, however, say that the Finns are preparing themselves for a reduction in exports.

"We don't know what the Soviets' terms will be. We are not imposing any pre-conditions, rather we are basing ourselves on the position Finland has decided to adopt. How they react to it in the Soviet Union remains to be seen," Kaarlehto said.

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ECONOMIC PORTUGAL

TECHNOLOGICAL COOPERATION AGREEMENT SIGNED WITH BRAZIL

Lisbon DIARIO DE NOTICIAS in Portuguese 1 Oct 86 p 4

[Text] A "memorandum of understanding" was signed yesterday in Lisbon between the Brazilian minister of science and technology and the secretary of state for scientific research, Arantes de Oliveira. The memorandum aims at reinforcing and intensifying the technological and scientific exchanges between the two countries.

The agreement envisions the scientific cooperation through institutes and enterprises; the Portuguese secretary of state stressed that the new project increases the funds for such initiatives.

Arantes de Oliveira added that this is "cooperation of a high economic level," which "envisions the elaboration of joint projects involving scientists and institutions of both countries," besides strengthening the traditional exchanges in the fields of science and technology.

Another of the aspects of the new joint project is the "establishment of mechanisms for mutual exchange of scientific documentation, especially through "electronic mail between the two countries."

Biotechnology and information technology are other areas included in the Portuguese-Brazilian agreement. Two meetings have already been set up in Lisbon and Sao Paulo for April and September of next year respectively.

The cooperation between the two countries in European programs of science and technology is also envisioned in the agreement signed between Arantes de Oliveira and his Brazilian counterpart, who had the opportunity to visit various scientific research institutions during his stay in Portugal.

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ECONOMIC TURKEY

CONCERNS EXPRESSED FOR OPERATION, FUTURE OF FREE ZONES

Clarification of Shipping Agents' Status Urged

Istanbul DUNYA in Turkish 27 Aug 86 p 4

[Text] In a conversation with Lloyd's chief editor Michael Connor in connection with the preparation of a catalog on free trade zones in Turkey, Ferdi Nadir, one of the founding partners of Nata Shipping and Forwarding, said that transit shipping has produced major gains for the region and indirectly for Turkey's economy. He added: "However, the continuing war in the neighboring countries has hurt transit shipping. Thus, additional investments are needed to preserve the regional vitality of the ports of Mersin and Iskenderun."

Stating that "the Mersin free zone is a lasting example of a changed economic policy," Nadir said: "At present we are only at the beginning of the free zone implementation. One cannot say that the issue has been adequately explained and understood. While doubts persist about the success of the system, I believe that these issues will be positively clarified in time. Perhaps one must pay attention to and carefully evaluate the bureaucracy's reluctance to control these zones. Because free trade zones succeed with private sector investments and private management. All successful examples in the world are those that are under private management."

Noting that no shipping agency applications are accepted in the free trade zones, Nadir said: "Obviously the State Planning Organization [SPO] made the necessary evaluations before deciding not to grant space to existing shipping agencies for operations such as delivery, transportation, storage and shipment of goods. Otherwise, who is going to run the necessary processing operations for ships which dock, load and unload at the port? After the announcements legalizing the presence of shipping agency officials in these zones are published the implementation phase will ensue. Thus the clarification of the status of the shipping agents, which constitute an important part of this system, is urgently awaited."

Stating that the free zones concept is also a promotion process, Nadir said: "Promotion campaigns for the free trade zones in Turkey are absolutely essential both inside and outside the Turkey. Only a successful explanation campaign will make the issue fully understood."

Concerns Raised About Continuity, Bureaucracy

Istanbul DUNYA in Turkish 27 Aug 86 p 4

["From the Seaman's Perspective" column by Osman Ondes: "The Miracle of Free Zones"]

[Excerpts] With the opening of the Mersin and Antalya free trade zones, the Turkish free zones are taking their place among the free zones of the world. Mersin and Antalya will be followed by the Izmir/Nemrut and Adana/Yumurtalik free trade zones.

The official documentation for the four free zones was approved a long time ago.

For the moment the Mersin free zone is drawing the most attention. The best parcel of land on the coastal road has been selected for the Mersin Hilton International. Currently, military barracks, which have become useless because they are in the middle of the city, stand on this piece of land. However, the necessary decisions have been made; we salute Mersin Hilton International with applause from today.

It is also rumored that the Karamehmet family, the owners of Mersin Hotel, are planning an international "4-star" hotel in Mersin.

Three foreign banks have already arrived and begun operations in Mersin. Three additional foreign banks, whose buildings are under construction, are also expected to begin their operations soon.

The Selahattin Beyazit group leads the large investors in the administration of MERSBAS [Mersin Free Zone Corporation]. This is an internationally known name, and it is expected to provide major international promotion services to Mersin.

We talked to the directors and presidents of various corporations and firms whose names appear in the officially approved list of companies in the Mersin free trade zone.

The Lloyd's of London Press will distribute worldwide 14,000 copies of its first "Turkish Free Trade Zones 1986 Catalog" to be published at the end of October.

The general impression is that Turkey will significantly increase its share in world markets thanks to the investments in the free zones which will contribute a lasting and strong impetus to the country's economic policy.

This economic tool, which will also help the country's domestic industry, will create a broad base for employment and training. However, even the managers of the firms which plan to invest in this project know the issue only in its general outlines.

Some of them are deeply apprehensive. Some even say "I have not heard about it."

Officials and local governments have emotional ties with the functionality of the system.

The Free Zones Administration of the SPO and Yalcin Alaybeyoglu, the leading architects of this project, are expected to do everything.

There is no sign that the firms that were established for international promotion are making any efforts. Moreover, the firms which have been officially approved at this stage have a very restricted view of the international promotion of the Turkish free zones--in fact they have none.

I will also talk about the other side of this picture. We have information from foreign investors and circles close to them. It is being said: "When the Turgut Ozal government leaves office, would investments in free zones cease?"

Another viewpoint was expressed as follows: "If the next government is Turgut Ozal's opponent, would it nationalize property?"

A question that is asked at home and abroad is: "The administration of the free zones must be in the hands of the private sector. All successful free zone implementations around the world are managed privately. Will the experience of bureaucracy and the well-known customs concept in Turkey be repeated in the free zones? Because the most senior administrators in Turkish ports are not the port authorities but the customs officials."

Ataturk proposed the establishment of free trade zones when there were only three free trade zones in the world. In the 60 years since the time of that genius, today Turkey is moving toward a miraculous system. This miracle is the Turkish free zones.

The press is busy with the daily election arguments. The companies are silent.

Gentlemen, the Turkish free zones are going into operation.

You may not remain silent. You cannot just "wait and see."

The experts of the SPO's Free Zones Administration gave life to the Turkish free zones. Standing by this system with the creativity of free enterprise is your national duty.

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ECONOMIC TURKEY

PREPARATION OF MEASURES TO CURB IMPORTS REPORTED

Istanbul DUNYA in Turkish 14 Jul 86 pp 1, 9

[Text] Studies are being conducted on measures to reduce imports and increase exports with a view to reducing the deficit in foreign trade. Economic measures necessary to achieve this end are being discussed under the supervision of Deputy Prime Minister Kaya Erdem.

The investigation initiated earlier by the Office of the Under Secretary of the Treasury and Foreign Trade into the causes of the 15.4-percent increase in imports in the first 5 months of the year has been concluded. It was found that the increase stemmed not from "accelerated imports" but from the fact that imports had become attractive. As a result, studies have been undertaken on new measures to make imports less attractive.

According to the Office of the Undersecretary of the Treasury and Foreign Trade, the necessary measures to be taken can be summarized as follows:

--To raise cash guarantees for imports from 3 percent to 5-7 percent;
--To extend the list of goods subject to an import surcharge;
--To increase the surcharges on imported goods to be included in the lists currently under review;
--To increase the imports duties on some goods.

The investigation carried out by the Office of the Treasury and Foreign Trade on the instruction of Deputy Prime Minister Kaya Erdem to determine the causes of the increase in imports and the structural characteristics of imports has revealed that the importation of investment goods, which account for a significant proportion of imports, is handled by the private sector, and not by state organizations as previously thought. According to this investigation, investment goods imported by the private sector account for about 70 percent of the total. A high-level official of the Office of the Treasury and Foreign Trade said that it is highly probable that a system of restrictions relying on economic arm-twisting rather than on legislative arrangements providing for legal sanctions will be introduced, and that these measures will not conflict with the liberal import policy.

It is also understood that the main reason for these studies, which are expected to be completed in a matter of days, is to reduce the importation of

industrial semiprocessed goods and luxury consumer goods that are already available from producers in Turkey.

According to importer circles, the list of such goods is headed by fertilizer stock, urea, caustic soda, and certain chemical stocks produced by Petkim, a producer of industrial and semiprocessed goods, and semifabricated and fabricated goods produced by the Eregli Iron and Steel Works, as well as artificial fibers, polyester, timber products, certain textiles and almost all luxury consumer goods. These circles expect that the measures to be taken will be announced next week.

It is understood from Treasury officials that the raising of import costs is also envisaged as part of the measures for cutting back on imports.

On the other hand, the practice of providing low-interest export credits will be resumed by the beginning of 1987 at the latest as part of the efforts to reduce the foreign trade deficit. But in this round, the export credit will be applied not as it was on an earlier occasion, to the entire export effort under the name "selective credit", but only when exports on credit are concerned. Thus, when an export firm is unable to meet deferred payment orders from agreed countries because of difficulties in financing them, the Central Bank will intervene and the burden arising from the deferred payment exports will be borne by the Central Bank in a manner similar to that of the implementation of exports on credit to Iraq.

The Office of the Under Secretary of the Treasury and Foreign Trade explained that exports have reached a point of stagnation as a result of the unfavorable effects on Turkey's exports caused by the fall in the price of oil and the peculiarities of the present incentive system, that new measures are essential to overcome this stagnation, and that the provision of export credits and export insurance will constitute a new factor in encouraging exports.

High-level administrators of foreign-trade firms we polled described these measures as overdue corrections, and emphasized that the great increase in imports of both industrial semiprocessed goods and luxury consumer goods in the first 6 months of the year was caused by price levels and shortages on the market, and that this did not constitute accelerated imports.

The importers emphasized, on the other hand, that the extension of the list of goods allowed to be freely imported and the steady growth of the imported luxury goods constitute very substantial proof that the increase stemmed from accelerated imports.

Yavuz Canevi, chairman of the Central Bank, said in a statement to DUNYA recently that the Office of the Under Secretary of the Treasury and Foreign Trade is looking into the records of business transaction declarations to see whether the increase in imports, one of the causes of the foreign exchange shortage, is due to accelerated imports or to an increase in the normal demand for imported goods, and that the matter will be clarified in the days ahead. Canevi noted that he is inclined toward the view that accelerated imports are the cause of the surge in imports.

Ahmet Haseki, chairman of the board of the Nimar Foreign Trade Co., said that failure to secure the payment of the $1.2 billion due for exports to Iraq in the 1984-1985 export season heads the list of reasons for Turkey's current foreign exchange shortage, and that the decisions that are beginning to be taken now are overdue, if anything.

Pointing out that to overcome the shortage of foreign exchange, an increase in either incoming foreign capital, the inflow of workers' foreign exchange remittances, or tourism revenues is necessary, Haseki emphasized that the fall in the price of oil did not by itself prove sufficient to overcome the shortage of foreign exchange. He said:

"There was no increase in workers' foreign exchange remittances, tourism, or the inflow of foreign capital. There was a savings of close to $800 million, but the need for foreign exchange proved to be much higher than this. The only remedy available to the government was to restrict imports. It therefore opted for increasing cash guarantee rates, extending the list of goods subject to surcharges, and raising the surcharges on goods subject to them. In doing so, however, it may find itself up against GATT rules in a sense. I have no idea how this will be resolved. The truth is that as importing has recently become more attractive than exporting, companies have shifted the emphasis of their activities from exports to imports."

Murat Vargi, director general of the Penta Foreign Trade Co., said that the fundamental reason for the measures that the Office of the Treasury and Foreign Trade wanted to take is to remove the attraction of imports. He stressed that it is necessary to place under control the importation of luxuries, and imports by municipalities in particular. Vargi noted that the attraction of imports could only be removed by higher prices. He said:

"Once imports cost more, they will lose their attraction. If these measures are implemented, imports will continue at a reduced level of growth. New capacities for semiprocessed goods have been commissioned in the nitrogene industry. The measures taken to counter the attraction of imports are therefore appropriate. To a certain extent the government has been compelled to take these measures."

Mustafa Suzer, chairman of the Foreign Trade Association, pointed out that economically developed countries are applying extensive protectionist measures, and that it is normal for Turkey also to implement certain protectionist measures. He said:

"Previously we defended a liberal system in the economy. And now we are defending the case for raising the surcharge rates, the extension of the list of goods subject to surcharges, and increased cash guarantees on imports. To achieve an improvement in the foreign trade deficit this year over that of preceding years it is necessary to bring imports into line. Therefore these measures are very timely. The current excess seen in foreign trade is due to the failure of the fall in oil prices to be reflected in the economy. I believe it will be reflected in the second half of the year, and there will be a reduction in the foreign trade deficit. Moreover, I do not believe

these preparations and their implementation will conflict with the GATT agreement."

Banking circles, commenting on the studies by the Central Bank and the Office of the Under Secretary of the Treasury and Foreign Trade to reduce the foreign trade deficit, argued that the government has no option but to raise the surcharge rates, to extend the list of goods subject to surcharges, and to increase cash guarantees for imports. They told DUNYA: "It is crystal clear that the 15.4-percent increase in imports observed in the first 6 months of the year does not stem from accelerated imports. If accelerated imports have played a role, it is minimal. Therefore the government is compelled to achieve a balance in foreign trade by restricting imports. As it may not resort to applying a quota system in imports, the only thing it can do is to raise the rate of surcharges, extend the list of goods subject to surcharges, and increase cash guarantees for imports. These measures, however, will cause a new price hike in the domestic market and will encourage inflation. This will do for an election-time economy. But then, in September and October, it will be necessary to increase exports once again, and this will require that exports be supported by exchange rate adjustments. Eventually, a devaluation will be essential. The current margin in the dollar's rate of exchange by this time is a result of the fall in the value of the dollar on foreign markets, a fall that deprived the Central Bank of any opportunity to make new adjustments. If the dollar gains value on foreign markets soon, this 5-percent gap may be bridged over a period of time by several small adjustments. If, however, the dollar continues to lose value, a compulsory 5-percent adjustment will have to be made to reduce the foreign trade deficit."

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MILITARY FEDERAL REPUBLIC OF GERMANY

OTHERWISE TIGHT BUDGET SHOWS 10 PERCENT RISE IN R&D OUTLAY

Bonn WEHRTECHNIK in German Aug 86 pp 16-17

[Article by Wolfgang Flume: "The 1987 Defense Budget--Again a 10 Percent Increase for R&D"]

[Text] Per decision by the federal cabinet, the federal budget for 1987 provides for expenditures of DM271 billion, which is an increase of 2.9 percent over the 1986 target of DM263.48 billion. Line Item 14, the defense budget, will show a slightly smaller increase: 2.8 percent, from DM49.9 to DM51.3 billion. During the next few weeks, the members of parliament will have their say and will no doubt red-pencil a few items. Last year, for example, they cut the defense budget by about DM400 million, almost exclusively in the area of defense investment expenditures.

The federal budget agreed to by the cabinet once again places defense expenditures in second place, after Line Item 11 (Public Works and Social), which is considerably larger (DM59.5 billion, an increase of 1.8 percent). It is followed by Line Item 32 (Federal Debt), a remarkable DM35.16 billion--more money is to be spent for interest and repayments than for Bundeswehr operations. Other relatively high-cost line items are Line Item 12 (Transportation) at DM25.6 billion (+0.7 percent) and Line Item 60 (General Financial Management) at DM17.55 billion (+1 percent).

Line Item 14 is to increase by almost DM1.4 billion to DM51.3 billion. Counting Bundeswehr manpower increase funds from Line Item 60, funds provided for 1987 salary increases, this will probably increase to DM51.985 billion, amounting to 2.8 percent. Added to this, if NATO criteria are used, are two additional line items: number 35 (Defense Charges) at DM1.834 billion (+3.8 percent) and number 36 (Civil Defense) at DM866 million (+1.7 percent).

Priorities Remain the Same

For the 1987 Defense Budget and financial planning through 1990, the priorities set in 1983 by Defense Minister Manfred Woerner remain in force:

--Improvements in the personnel structure and planning for personnel shortages to be expected for the 1990's;

1987 Administration Draft Budget Compared With 1986 Budget

Ausgabenbereich (1)	1986 Ansatz (1 000 DM) (2)	1986 Steigerung zum Vorjahressoll (3)	1986 Anteil am Plafond (4)	1987 Ansatz (1 000 DM) (2)	1987 Steigerung zum Vorjahressoll (3)	1987 Anteil am Plafond (4)	mehr/weniger (5)
Betriebsausgaben (6)							
— Personalausgaben (7)	20 901 393	+ 3,1 %	41,9 %	21 722 891	+ 3,9 %	42,4 %	+ 821 498
— Materialerhaltung und Betrieb (8)	4 338 410	+ 1,1 %	8,7 %	4 573 725	+ 5,4 %	8,9 %	+ 235 315
— Sonstige Betriebsausgaben (9) (z.B) Verpflegung, Betriebsstoff, Bewirtschaftung der Liegenschaften) (10)	7 408 047	+ 4.4 %	14,8 %	7 337 116	− 1,0 %	14,3 %	− 70 931
Summe Betriebsausgaben (11)	32 647 850	+ 3,1 %	65,4 %	33 633 732	+ 3,0 %	65,6 %	+ 985 882
Verteidigungsinvestive Ausgaben (12)							
— Forschung, Entwicklung, Erprobung (13) (einschl. Zuschüsse, Zuwendungen an Forschungsinstitute)	2 579 550	+ 3,2 %	5,2 %	2 837 030	+ 10,0 %	5,5 %	+ 257 480
(davon FuT-Konzept) (14)	(756 000)	(+ 8,2 %)	(1,5 %)	(835 400)	(+ 10,5 %)	(1,6 %)	(+ 79 400)
— Militärische Beschaffungen (15)	11 945 780	− 1,6 %	23,9 %	12 175 600	+ 1,9 %	23,7 %	+ 229 820
— Militärische Anlagen (16) (Bauten einschl. NATO-Infrastruktur)	2 400 000	+ 12,1 %	4,8 %	2 375 000	− 1,0 %	4,6 %	− 25 000
— Sonstige Investitionen (z. B. Grunderwerb, Aufschließungsmaßnahmen) (17)	337 893	− 41,2 %	0,7 %	278 638	− 17,5 %	0,5 %	− 59 255
Summe Verteidigungsinvestive Ausgaben (18)	17 263 233	− 0,5 %	34,6 %	17 666 268	+ 2,3 %	34,4 %	+ 403 045
Plafond Einzelplan 14 (19)	49 911 073	+ 1,8 %	100,0 %	51 300 000	+ 2,8 %	100,0 %	+ 1 388 927
EPl 14 mit Personalverstärkungsmitteln aus EPl 60 (20)	50 562 000			51 985 000	+ 2,8 %		+ 1 423 000

Key:
1. Expenditure area
2. Appropriation (in DM1000's)
3. Increase over last year's authorization
4. Percent of total
5. Plus/minus
6. Operating Expenditures
7. Personnel Expenses
8. Materiel Maintenance and Operation
9. Other Operational Expenditures
10. (e.g., Subsistence, Fuel, Real Estate management)
11. Total Operating Expenditures
12. Capital Defense Expenditures
13. Research, Development, Testing (including grants and other support for Research Institutions)
14. (of the above, for the FuT Concept)
15. Military Procurement
16. Military Installations (Construction, including NATO Infrastructure)
17. Other Capital Expenditures (e.g., Real Estate Acquisition and Development)
18. Total Capital Expenditures
19. Ceiling for Line Item 14
20. Line Item 14 plus Manpower Increase Funds from Line Item 60

--maintenance of operations;

--increased research, development and infrastructure;

--continuation of ongoing procurement projects and preparation for materiel of the 1990's;

or, as expressed officially in Bundeswehr planning:

--securing Bundeswehr manpower in the next decade;

--elimination of recognized deficiencies in our defense system;

--improvement of conventional defense options and increased use of modern technologies.

There are no spectacular changes in the breakdown of Line Item 14. Worthy of note is perhaps the further increase in operational expenditures, from 64.6 percent in 1985 to 65.4 percent this year and 65.6 percent next year; the share of defense capital expenditures is reduced correspondingly. The reason for this is the arrival of the new weapon system generation, which is quite expensive to maintain and operate--especially in the air force. In addition, there is the restocking of spare parts, which has dropped during the last few years. There is a decrease also in the percentage rate for military procurement (now 23.7 percent); fortunately, however, there is an increase in the share devoted to research, development and testing, which now has grown to 5.5 percent.

Personnel

The number of long-term personnel is to be increased once again in 1987--by 2,000, to a total of 265,000. Note that this started in 1982 with 251,000 soldiers; the target of 266,000 career and long-term servicemen is to be reached in 1988. With this number, the Ministry of Defense hopes to meet the challenge of the 1990's when available manpower will decrease, affecting the availability of conscripts performing basic military service as well as of long-term personnel. This year 95 percent of the 263,000 figure has already been reached; by the end of the year, reaching the exact figure may be a possibility. This is made possible partially by the fact that reenlistment--especially by basic military trainees--is at present the best available insurance against unemployment. Note that in 1986 the Bundeswehr will put about 40,000 new soldiers on active duty, a number caused by the large number of career and extended-duty personnel separating this year.

There will be no change in the number of defense exercise areas in 1987--in 1986, it increased by 500, to 6,600. By the end of the 1980's, this number is to increase to 9,000.

Additional improvement in the personnel situation is to be achieved by authorizing new manpower openings and by upgrading existing positions in the military and civilian area. Thus in 1987, 322 first and second

lieutenant slots are to be converted to captain positions for officers serving in military specialties, and 257 planned positions for senior noncommissioned officers are to be converted to receive special remuneration. In addition, structural improvements will occur through the retirement of another 300 officers (out of the "famous" 1,200).

Other improvements in the military manpower area are as follows:

--170 manpower positions for medical service officers, which will permit a further reduction in the number of physicians performing obligatory military service;

--27 manpower positions for officers of the military specialty service;

--200 manpower positions for field service officers and medical service officers (medical service officer candidates);

--50 position upgradings for commanders of MARDER armored personnel carriers, as the first increment of a proposed 400. By the early 1990's, all MARDER commanders should thus be staff sergeants.

In the civilian area, 100 new positions are provided (with emphasis on electronic warfare, long-range reconnaissance, electronic data processing and also in the medical area); also, 105 position upgradings are provided for more ordinary services. In addition, there will be 450 training slots, increasing the overall training positions to 6,561.

Operating Expenditures

Compared with 1987, materiel maintenance and operations expenditures are to increase by 5.4 percent; however, other operational costs will be reduced by 1 percent--the reason for this is, among other things, the drop in fuel costs from DM960 million to DM648 million. (So far this year, this has saved DM210 million, which was used for procuring the sixth increment of LEOPARD 2's.) Other savings are made (especially as a result of the drop in the value of the dollar, in military procurement) since the dollar value was calculated at DM3.14 in the 1986 budget, whereas it was DM2.57 at the end of 1985, the deadline for the 1987 budget.

Some of the materiel maintenance expenditures are as follows (figures for 1986 in parentheses):

	Million DM	
Engineering	63	(60)
Communications Materiel	340	(320)
Ordnance		
Ordnance Materiel	290	(280)
Ammunition	20	(21)
Vehicles, Combat Vehicles	1450	(1450)
ABC Protective Material	27	(26)
Quartermaster Materiel	57	(53)
Ships and Naval Materiel	520	(520)
Aircraft, Missiles, etc.	1500	(1320)

Expenditures in this area have thus remained relatively stable, with the sole notable exception of the increase by about 10 percent for materiel maintenance for aircraft, missiles, etc. (a result of the introduction of new weapon systems).

Research and Development

R&D expenditures are to increase by 10 percent to DM2.84 billion, again by more than this year, for which the cabinet had planned +6 percent, but for which parliament only authorized 3.2 percent. The allocation for R&D activities of the Research and Technology Concept amount to DM835 million.

Part of the remaining DM2 billion is to be spent for the following:

--TORNADO development: DM180 million (1986: DM222 million), to include the ECR version and development operations maintenance;

--development and testing of guidance systems as at present, DM130 million;

--development of the 90 Fighter aircraft: DM320 million (DM230 million provided for 1986).

Grants to research institutions for operations and capital expenditure use are to be distributed as follows:

--German Research and Development Institute for Air and Space Travel, DM60.8 million (1986: DM59.1 million);

--Fraunhofer Society for the Promotion of Applied Research, DM49.1 million (45.8);

--Research Society for Applied Science, DM37.9 million (36.4);

--German-French Research Institute, St. Louis, DM31.6 million (29.3).

Only about DM20 million is allocated for new development projects for 1987 (among them electronic warfare, the MLS landing system, sea mine, PATRIOT and HAWK control center), since no major spectacular projects are on the books.

Procurement

DM12.18 billion are allocated for military procurement in 1987, an increase of 1.9 percent over this year, in which there had actually been a decrease of 1.6 percent from 1985. These expenditures include the following (1986 figures in parentheses):

	Million DM	
Engineering	39	(39)
Communications	1050	(920)
Ordnance		
Vehicles	880	(950)
Combat Vehicles	1150	(1750)
Ammunition	2400	(2325)
Other Ordnance Materiel	1270	(825)
ABC Protective Materiel	85	(100)
Quartermaster Materiel	80	(76)
Ships and Naval Materiel	1000	(830)
Aircraft, Missiles, etc.		
Aircraft, Missiles	770	(585)
TORNADO	2375	(2600)
ALPHA JET	14	(110)

As shown, the heaviest expenditure is for ammunition, as in the past. The increase for "other ordnance materiel" is caused partly by increased expenditures for ROLAND and PATRIOT. TORNADO is further decreased, and ALPHA JET is practically phased out. Clothing item stocks are being increased by 28 percent, to result primarily in an improvement of protection against cold and wetness.

Military Installations

Here the high level of spending reached in 1986 is being maintained. Primary expenditures are for environmental protection; for example, the conversion of heating plants to reduce pollutant emission. For this, more than DM1 billion will be spent over a period of several years. In addition there will be rehabilitation of housing and work areas; also, the infrastructure required for the introduction of new weapon systems must be made ready in a timely fashion.

Breakdown of Defense Spending

4.6 percent Military Installations 5.5 percent R&D 23.7 percent Military Procurement	34.4 percent Defense Capital Expenditures
14.3 percent Miscellaneous Operating Expenditures 8.9 percent Materiel Maintenance and Operation 42.4 percent Personnel Expenditures	65.6 percent Operating Expenditures

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MILITARY FEDERAL REPUBLIC OF GERMANY

LUFTWAFFE TRANSPORTS ACE MOBILE FORCE TO NORTH ITALY EXERCISE

Munich SUEDDUETSCHE ZEITUNG in German 19 Sep 86 p 11

[Article by Kurt Kister: "NATO's AMF Intervention Force Practices Crisis Intervention on the Flanks in Italy--From Northern Norway to Kurdistan"]

[Text] Venice, in September--There is even more air traffic above the Venetian lagoon than at other times. More than 100 additional flights are scheduled to arrive at the Marco Polo Airport; however, none of them are bringing in the usual Venetian mixture of many tourists and a few businessmen. The aircraft landing every half hour are heavy turboprop transports in camouflage paint. They show the national insignia of Belgium, Britain or the FRG. For a period of three weeks, Venice's civilian airport serves as an arrival and resupply base for a NATO maneuver which, while involving a small number of troops, has that much more political significance: Northern Italy is presently the location of "Allegro Exchange," an exercise of the international AMF intervention force of NATO.

The abbreviation AMF stands for Allied Command Europe Mobile Force. The military commander-in-chief of Allied Command Europe (ACE) is General Bernard Rogers, headquartered in Mons, Belgium, about 80 km from Brussels. Apart from the AMF, Rogers can call upon one additional internationally constituted intervention force, which is however dedicated to naval operations: the Naval On-Call Force Mediterranean (NAVOCFORMED). It consists of ships belonging to various NATO navies, holds two exercises per year for about 30 days and is intended to safeguard the presence of the greatest possible number of alliance members in the Mediterranean in times of crisis.

The mission of the AMF can be defined in a very similar manner. "The ACE Mobile Force is a political force," says Group Captain John Hardwick, RAF; "even if the AMF commanders do not like the sound of this, it is not really a combat force." Hardwick, who is in charge of operations of the AMF's military air transport, is primarily interested in showing the flag: "Deterrence is the AMF's most important mission." A publication from the military headquarters of NATO in Mons states that the AMF was created in 1960 as a small, mobile, multinational force, to "demonstrate that an attack against the entire alliance, for the purpose of demonstrating the political unity which is the basis of NATO." The NATO planners decided upon a highly mobile force, because they visualize a primary threat in times of crisis against NATO's northern and southern flanks. On the one hand, these are the

locations of most of the common borders with the USSR or other Warsaw Pact states; on the other hand, an attacker would, unlike in the FRG, make contact with the forces of a single country, specificially, those of the country being attacked.

The Greeks No Longer Issue Invitations

Based on this scenario, plans are on hand at AMF headquarters in Heidelberg for seven possible operational areas for the force. On the southern flank, they include eastern Turkey, Turkish Kurdistan, the border areas between Bulgaria and Turkey, the Greek part of Thrace, and noreastern Italy where it borders on Yugoslavia. In Northern Europe, AMF operational areas include northern Norway as well as the Baltic straits of Denmark. The AMF conducts two exercises per year, rotating the locations.

However, the NATO soldiers have not entered one of their potential operational areas since the middle of the 1970s: the Greek border areas with neighboring Yugoslavia and Burgaria. Since the Cyprus conflict the Greeks have not tendered any invitation to the AMF because they believe that the majority and economic aid to Turkey, which they believe constitutes a danger to Greece. In addition, Athens feels discriminated against in the political-military command structure of the Alliance, because there is a major NATO command headquarters in Izmir, but none in Greece. Such events as the recent signing of a separate non-aggression pact with Bulgaria and the constant disagreements about U.S. base rights are the consequences of the Greeks' drifting away from NATO. As a result of the permanent rejection of AMF Rome has offered NATO the use of northeastern Italy as something of a replacement for the exercise area of Thrace, which appears lost, at least for the moment.

In terms of military structure, the AMF ground forces roughly correspond to a brigade of light artillery. In "Allegro Exchange," its headquarters is located in an Italian Bersaglieri barracks near Pordenone roughly 80 km north-east of Venice. Three paratrooper battalions provide the actual "combat units:" the Second Belgian Commando Battalion, the 3d Battalion of the U.S. Army 325th Parachute Infantry Regiment, and the 262nd FRG Paratroop Battalion from Merzig in the Saarland. Except for the Americans, who are presently stationed in Vicenza, Italy, the units were flown to Venice in transport aircraft and chartered passenger planes. While during this week there will also be a small combat exercise, the main task of the AMF battalions for the moment is to show a high profile: the paratroopers, who otherwise fight out of well-camouflaged positions, drive patrols in open trucks around the clock, give demonstrations, sometimes even improvise an open-house event at some market square. "In a crisis situation," says a British AMF major in Pordenone, "it wouldn't be exactly like this, but similar. The adversary is made to see that if he fires, he fires not at one country, but at all of NATO."

AMF also has a small air component. For the exercise in northern Italy, six Alpha Jets of the 43d Fighter-Bomber Wing moved from Olderburg to the Istrana Air Base, where they are the guests of a Starfighter wing of the Italian Air Force. "Our task," says the commander of the small unit, First Lieutenant Uwe Tensfeldt, "consists primarily of patrolling at a relatively

high altitude. The other side is supposed to be able to see us." The men from Oldenburg take the instruction to "show the flag" quite literally in their accommodation area also: from an improved flagpole above their wing pennant. However, if the AMF's air component would reach its full strength, it could in time of crisis do a bit more than merely to show the flag: more than 100 jet aircraft are allocated to the AMF, among them the Belgian Mirage, U.S. A-10 anf F-15, Dutch F-5, and the British Jaguar.

Critics Call for Expansion

Air transport plays an important part in the AMF concept: only a quick assembly of transport aircraft belonging to several nations ensures the mobility of the force, which is of decisive importance for military crisis management. Even a small exercise like "Allegro Exchange" in which, apart from the staffs, only three battalions and a few unattached companies are participating, requires more than 80 missions by such aircraft as C-130 Hercules and C-160 Transall. The lion's share in this exercise--about 60 percent of the flights--falls to the German Air Transport Wings 61, 62 and 63, based in Landsberg, Wunstorf and Hohn, respectively. The air transport problem specifically could become critical for the AMF in a crisis: in a crisis situation, what country would be prepared to provide significant parts of its air transport potential to an AMF mission at the NATO flanks, if there is a chance that the transport aircraft might be needed for resupply, troop movements or reinforcement in Central Europe? If during a crisis the ACE Mobile Force were, for example, to depend on air transport by the German Transall wings alone, all the C-160's bearing the Iron Cross as their nationality insignia would in a southern mission have to make three roundtrips to transport personnel and equipment to Turkey.

In the past, military critics of the AMF have demanded repeatedly that the intervention force either be expanded to such an extent that in time of war it could provide real aid to a country under attack, or simply to disband it--if for no other reason than cost. The national veto power is a perennial subject of criticism; an AMF operation requires not only the permission of all countries contributing AMF troops, but especially that of the country which accepts the intervention force. According to one German lieutenant colonel, such a consensus is difficult to achieve even now, in peacetime; this is proven not only by the Greek example. However, says Group Captain Hardwick, the people in Mons are well aware of the political problems which would be caused by a "hot" AMF operation. But, he continues, the feeling is that the deterrent value brought about by the mere presence of the ACE Mobile Force in a threatened area is so well appreciated that a consensus within NATO should be easily achievable. An Italian lieutenant colonel in Pordenone states that "three battalions from Belgium, the FRG and the United States could, at a certain place and at a certain time, achieve a greater political effect than elsewhere a whole army could militarily."

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MILITARY FRANCE

DETAILS OF ANTIAIRCRAFT CORVETTE RELEASED

Brest OUEST-FRANCE in French 29 Aug 86 p 199

[Text] Lorient--Gen Jean Seve, the engineer in command of the Lorient Dockyard, delivered the antiaircraft corvette Cassard to Rear Admiral Degez, assistant dockyard superintendent at the port of Lorient, late yesterday afternoon. This vessel is the prototype of a planned series of four, although it is now believed in Lorient that it may be limited to the Cassard and the Jean-Bart, now under construction at the docks.

This corvette, which weighs 4300 tons fully loaded, will be assigned to the Atlantic fleet. It will begin trials on 3 November 1986. Its long-range test voyage is scheduled for the spring of 1988, so that it should, during the summer of that year, be back in Brest, where the last ship to bear the name Cassard, a fleet escort vessel, was decommissioned in 1976.

The Cassard was designed to provide air safety for a naval force, and together with the Jean-Bart, it will serve to protect the future nuclear aircraft carrier Richelieu, and thus will eventually be assigned to the Mediterranean.

Vice Admiral Bonavita, who will retire from active service and from the Lorient naval command on Monday, presented the first commander of the Cassard to the crew. He is Capt de Longueau Saint-Michel, a 1958 graduate of the naval academy. His last command (1983-84) was the missile-equipped escort vessel Du Chayla in Brest.

Specifications of the Cassard

Length overall--193 meters; length--129 meters; beam--14 meters; draft--4.10 meters; displacement--4300 tons fully loaded.

Its propulsion system includes four diesel engines with a capacity of 31,760 kW, two shaft lines and four 850 kW diesel alternators.

The Cassard has a maximum speed of 29.6 knots and a range of 4800 miles at 24 knots or 8000 at 17 knots. It has berths for 251 persons.

It is equipped:

--For detection purposes, with surveillance radar, navigational radar and, finally, tridimensional radar;

--For electronic warfare, with a radar detector, a radar jammer and two decoy systems, Dagaie and Sagaie;

--For submarine detection, with a Duba 25 sonar (with which the A69 corvettes have already been equipped); and

--For data processing, a Senit system.

Its weaponry includes:

--For antisubmarine warfare, two launching cradles for L.5 torpedoes;

--For antiaircraft operations, a 100 mm turret, two 20 mm guns and a Tartar weapons system; and

--For surface warfare, eight MM 40 missiles.

The Cassard will also be equipped with a Lynx helicopter, and can accommodate the Alouette III or the Dauphin, as well.

5157
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MILITARY FRANCE

DASSAULT REPORTEDLY SEEKS STEALTH TECHNOLOGY FROM NORTHROP

Paris L'USINE NOUVELLE in French 4 Sep 86 p 34

[Article by Jean-Pierre Casamayou]

[Text] The news went almost unnoticed. The English Plessey firm, which specializes in radar equipment, has just announced plans to establish a unit in France to manufacture radar-proof paint. This plant, it is said, will supply Marplex, an affiliate shared by Plessey and the French SNPE. Marplex, which specializes in the manufacture of composite structures, is reported to be awaiting a major order from the Ministry of Defense for the coating of ships with an "anti-Exocet" material, later to be applied to aircraft, as well. This information is but the tip of an iceberg.

Americans Have Substantial Lead

This major decision entails a vastly risky venture--mastery of the technology of "invisible" airplanes (see box this page). This is a field in which the Americans have taken the lead. In fact, they already have 50 or so Stealth fighter planes, built by Lockheed at its Burbank plant, ready for use.

Apart from Lockheed, another aircraft company, Northrop, has been entrusted with studies on an "invisible" bomber, in a $36.6 billion program calling for 120 ATB (advanced technology bombers).

The substantial budget Northrop has available and the knowledge it has been able to amass to date explain Dassault°s interest in the firm. Discreet talks have begun, moreover, between the French manufacturer and its American counterpart. It is clear that in this field, the French are technology consumers, although work is continuing at the Onera in France, with strategic nuclear programs being given priority. The M4 and ASMP missiles have alrady benefited from the Stealth research. And it is probable that the talks between Dassault and Northrop are not limited to purely technological considerations.

Following the failure of French participation in the European EFA airplane project, the government has been seriously encouraging Marcel Dassault Aircraft to find partners on the other side of the Atlantic, since the success of the Rafale should not obscure the fact that it will be necessary to find

some 70 billion francs to convert it into a combat plane. Particularly since Dassault is experiencing some export difficulties. Following the loss of the Saudi market, it appears to be on the verge of losing the battle with the F16 in Indonesia. Under these conditions, sharing with an American manufacturer seems more than tempting.

And Northrop would be a possible candidate. The California firm is healthy (with a turnover total of $5 billion, up 37 percent), thanks to its star products, the target missiles (it is the international leader), the F18 Hornet fighter-bombers (1500 of which it has subcontracted to McDonnell) and the Boeing 747 fuselages. But it has suffered a painful failure with the F20 Tigershark (in competition with the F16 and the Mirage 2000), which it has been unable to market.

Freedom To Maneuver

Could Dassault reasonably cooperate with one of its direct competitors? Would it still be guaranteed the possibility of exporting this plane to a Third World nation without risking a congressional veto? Obviously not. It is clear that the need to share the costs of developing a new airplane with an American partner could put an end to the independence and freedom to maneuver which have meant success for this French aircraft manufacturer.

5157
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MILITARY FRANCE

BRIEFS

CIVILIAN DEFENSE EMPLOYEES REDUCED--The Ministry of Defense wants to reduce the number of state employees, according to the CGT. The National Federation of State Employees (FNTE) CGT stated Thursday that the Ministry of Defense "wants to effect a very substantial reduction of personnel" among government workers (dockyards, weapons and ammunition factories), and "recourse to dismissals cannot be ruled out." "It appears that documents are being drafted" to this end, the CGT added, and it announced that in response, "a national undertaking of unprecedented dimensions" in the coming weeks is being planned, the details of which will be made public on 8 September. The FNTE, which held a press conference in Montreuil, spoke in particular about the case of the Land Weapons Industrial Group (GIAT), which employs some 16,000 to 17,000 civilian wage earners. A report requested by Minister Andre Giraud on the need to move toward a "classic" kind of management, which was submitted to him at the end of July, called for a revision of the state workers' code and noted the need to reduce personnel, according to the CGT. [Text] [Brest OUEST-FRANCE in French 22 Aug 86 p 199] 5157

3519/249

MILITARY

GREECE

PAPER DENOUNCES U.S. INTENT TO MODIFY MILITARY ASSISTANCE

Athens PONDIKI in Greek 19 Sep 86 p 10

[Text] An evil-intentioned intervention of massive proportions is being prepared against us by the terrible, indescribable (and outspoken in his love for the Turks) Richard Perle, U.S. deputy secretary of defense decorated by a Turkish organization and candidate for the Ataturk prize, and this is to be done as soon as feasible. And if what the PONDIKI will say will not awaken the government and the Washington pro-Greek lobby, screaming about it later will not help!

These days, the U.S. Congress is discussing Bill No 2638 for foreign assistance. It is well known that the Foreign Affairs Committee of the House of Representatives voted favorably for us, approving free assistance and the maintenance of the 7:10 relation. Now the bill is in the Senate and seems to be favorable to us again, especially after the decision made by the Appropriations Committee; it is at this time that Perle decided to take action against us:

He assigned the well-known superconservative Senator, Barry Goldwater, to the task of proposing an amendment, No 1205, to the bill for the approval of defense appropriations. Goldwater sent a letter to Weinberger together with the amendment; the latter agreed, and stated that he is sending the amendment to...Perle, who will introduce it in the Congress! Perle, that is, went through this satanic game in order to hide the fact that he was behind the initiative!

However, the text of the amendment is more serious still. Titled "Modernization of the Defense Capabilities of NATO's Southern Wing," the amendment says that the President of the United States, (that is, President Reagan) will provide free military assistance from his country's surplus equipment to Southern European countries--Italy, Spain, Portugal, Greece and Turkey--that are fully connected with NATO's military wing. By paying attention to the text of the amendment, it is possible to understand how the intervention will be carried out: the mention of "countries fully connected with NATO's military wing" will be interpreted to mean that Greece, since it does NOT participate in NATO military exercises--at least in the Aegean--is NOT so connected. And who is participating, and simultaneously must modernize its military equipment? Obviously, it is...Turkey!

The second thing that will happen, as soon as the Goldwater--that is, the Perle-amendment passes, is that Turkey's demand--that it will sign the new agreement for the U.S. bases only if the 7:10 relation is modified--will be satisfied. Therefore, since the President (which means the Pentagon) will decide the amount of assistance to be provided (always from the surplus, but try and find out what this "surplus" is, it could even be nuclear bombs!...) no more obstacles in Congress, no more 7:10 in essence, no more a Cypriot issue, no more pressure on Ankara, and on to the beginning of our destruction...

The third evil brought on by the amendment is that it takes away the initiative from the Senate and the House committees for international relations and international issues only to give it to the Armed Services Committee. That is, to the Pentagon. Because that massive intervention will come from there...

There is no time to lose: wake up Papoulias in Washington (we mean the ambassador), wake up the lobby, because the next 10 days will be critical. The issue will be discussed by the joint House-Senate committee, and if Perle gets his way, it will be very sad for us indeed.

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MILITARY NETHERLANDS

VAN EEKELEN'S BACKGROUND, VIEW OF DEFENSE ISSUES

Amsterdam DE VOLKSKRANT in Dutch 20 Sep 86 p 17

[Article by Hans Goessens and Theo Klein: "'The Stuff Gets More and More Expensive, But Also Better'"; ellipses as in original; passages within slantlines emphasized in original; first paragraph is DE VOLKSKRANT introduction]

[Text] His behavior betrays his connection with the Foreign Service, where he began his official career. He still remains the old-fashioned diplomat. VVD Minister Dr W. Van Eekelen got the Defense portfolio in the second Lubbers cabinet, to the amazement of many, after a not entirely uncontroversial career as state secretary in the same ministry in the first Van Agt cabinet. "Netherlanders have a great deal of trouble with the paradox that our security is guaranteed by the most terrible of weapons."

Dr W. Van Eekelen came very close to having to spend the past months getting settled in, not as minister of defense, but as Netherlands ambassador to the European Community. Not 24 hours before VVD parliamentary leader Voorhoeve woke him up to say that he could move into the ministry on the Plein, the cabinet had discussed naming him to serve in Brussels. After his service as state secretary at Foreign Affairs, that had long seemed where the 55-year-old Liberal was heading. But the tide changed quickly. When Vonhoff did not get the minister's job, they soon found Van Eekelen willing.

It is a good question whether it really makes much difference to the new minister, ambassador in Brussels or minister in The Hague. He gives the very strong impression that under all circumstances he remains what he originally was: a model diplomat. Always charming, understanding, sometimes to the point of unworldliness. Unmistakably a product of the Foreign Service, where he began his official career.

But also sure of himself, with clear views and a strong inclination to settle difficult questions informally with as little fanfare as possible. On NATO: "The Netherlands has to start attending the informal meetings again with the large member states. You can exercise influence there. The Second Chamber thinks you accomplish something by ranting in the NATO ministers council. Nothing could be further from the truth. Usually, all they do there is read out the agreements that have been worked out in advance."

On European cooperation within the alliance: "I also think that we have to arrive at a clearer European position. The Americans prefer that to a divided Europe that only raises delicate questions. We could arrange that by getting France (which does not participate now--DE VOLKSKRANT) involved in the Eurogroup. You can talk informally with the French beforehand. Then in discussing things with the United States and Canada, we definitely would have to take the French views into account in determining the European position."

And on his relationship with Foreign Minister Van den Broek, who intervened emphatically in the matter of his defense budget last month: "The impression that I don't agree with the modifications proposed by Van den Broek is wrong. But above all, don't worry that I won't hold up my side in the turf fight with Foreign Affairs. Defense also has a voice of its own in the international aspects of peace and security. And we'll make it heard. Defense is better equipped for that than Foreign Affairs."

Invisible

Not everybody is convinced that Van Eekelen will find it so easy to keep up his end in the discussions of who shall express the Netherlands position abroad (NATO, UN security issues). In the first Lubbers cabinet he served as state secretary for European affairs under Van den Broek. Although he is praised on all sides for his dedication and was the only state secretary allowed to attend all cabinet meetings, he remained virtually invisible to the outside world.

It is generally known that Van Eekelen did not always feel exactly happy in that position. "The fact that this relationship arose has less to do with my person than people usually suggest," the minister explains patiently. "Naturally, I had a forceful minister in Van den Broek, and one who intervened emphatically in European affairs. But more importantly, I had a portfolio about which there are no great differences of opinion in the Netherlands. Furthermore, the Foreign Affairs Ministry is traditionally oriented mainly toward the minister."

The new minister of defense knows what he is talking about. Back in his days as a Foreign Ministry civil servant, he was chief of the Atlantic Cooperation and Security Affairs Directorate. "In those days I would write speeches for the minister of defense. He didn't have any people at all for that. The situation has changed considerably since then," Van Eekelen says. To prevent any misunderstanding, he quickly adds that he would not like to go back to the old method. A forceful "no" resounds through the minister's office.

Although the preceding minister of defense, De Ruiter, belonged to the same party as Van den Broek (CDA), the pair disagreed regularly. In particular, De Ruiter had reservations on the cruise missile question that did not occur to his colleague at Foreign Affairs. This kind of disagreement is not expected from Van Eekelen, unless he should want to try to outflank Van den Broek on the right.

In Step

In his classically-decorated office at the Ministry, the minister takes the time to add some nuances to the picture people have of him. He formulates things slowly, in a well-thought out manner and never ceases to give friendly answers to all questions. Van Eekelen: "It's certainly not the case that I was put in here to see to it that the cruise missiles are deployed and we stay in step in NATO. The Netherlands has never been entirely in step and never will be. I don't believe that the Netherlands' discussion of peace and security ended with the 1-November decision."

"More than other countries, the Netherlands has always been interested in peace and security. Particularly in the nuclear component, nuclear weapons. In the Second Chamber they were already discussing the NATO strategy of flexible response (to Warsaw Pact attacks--DE VOLKSKRANT), when in other parliaments they had never heard of the term. Netherlands citizens, and the military too, simply have a great deal of trouble with the paradox that our security is guaranteed by the most terrible of weapons."

It is no accident that several times in the conversation Van Eekelen adds a bit apologetically, "...it may be because I was a diplomat, but...," followed by the suggestion that issues should first and foremost be approached carefully and to the purpose. The minister: "The Netherlands wanted to exercise some influence in NATO through the cruise missile discussion, but I fear the effect was the direct opposite. I have a strong feeling that our influence has not been optimal in the past 4 years, precisely because of our hesitation about the cruise missiles."

There follows an analysis of the partners' credibility within the alliance. The Netherlands faithfully contributes its share, not least in the coming years with a 2 percent budget increase, the new minister feels. Nonetheless, he says that The Hague's input is no longer being given a serious hearing in NATO as long as the deployment of the cruise missiles in Woensdrecht is uncertain.

Van Eekelen: "I think that's where De Ruiter suffered a big disappointment. He spends 900 million for the conventional Patriot missile, which the Belgians said was too expensive. But they did keep the F-16's nuclear task. That costs the Belgian government next to nothing, but they got more praise for it than the Netherlands--and thus more prestige to be able to join in the discussion of other countries' plans."

Luns

The minister feels that the Netherlands is now in an excellent position to take its place once again as the largest of the small NATO countries--"Luns would say 'as the smallest of the large ones,' but I wouldn't go that far." On Wednesday NATO Supreme Commander Rogers announced during a visit to The Hague that he can easily live with the cabinet's plans.

He would rather have seen the Netherlands modify all its 155mm artillery for nuclear shells, but according to Van Eekelen he feels that nuclearizing the remaining 8-inch howitzers is also acceptable. Moreover, the minister says that the American general also gave assurances that the only atomic bombs stored in the Netherlands will be the ones assigned to Netherlands troops. That removes the fear that nuclear warheads will be transferred from West Germany--where Rogers says there are too many--to the Netherlands. Last month the general announced that he wants to halve the number of atomic warheads on German soil. Van Eekelen responded to that with the statement that the Netherlands is already responsible for a reasonable share and does not desire to store any additional ones. The supreme commander let it be known on Wednesday in The Hague, by the way, that only southern European countries are being considered for the transfer.

In announcing that atomic bombs will be stored in the Netherlands only for Netherlands weapons systems, Rogers also confirmed that the nuclear weapons for the F-16's in Volkel will be eliminated as soon as that aircraft's nuclear task is abolished in 1988. There was doubt about that too, because that storage was considered secret and no announcement was normally made about it.

So isn't that a mark of thanks after all for keeping in step? Van Eekelen: "No. But it /is/ a chance to be listened to again within the alliance. That depends on your own contribution and on whether you have the people to provide good input. In that case you can indeed take a differing point of view. I'll see to it that we're present at the decisive moments. And those aren't at the ministers meetings, they're well before those."

How can Parliament measure the results of this "quiet diplomacy"? The minister: "By comparing our initial positions with what happens in NATO. You can check which Netherlands elements appear in the joint decision." The minister does not expect that any discussion of still other, new nuclear tasks in the Netherlands will be necessary "for the foreseeable" future.

Nuclear Tasks

This cabinet has ruled out any new nuclear tasks (after the 8-inch guns). Van Eekelen is moderately optimistic about the chances of an arms control agreement between the United States and the Soviet Union. He thinks there is a good chance that such an agreement will consist primarily of a postponement of the U.S. Strategic Defense Initiative (SDI, or space shield) in return for major mutual reductions in strategic nuclear weapons. "It's Europe's task to get the intermediate-range missiles (SS-20's and cruise missiles) included in that. But I'm afraid the Asiatic SS-20's will form an obstacle."

In other words, no agreement making the cruise missiles at Woensdrecht unncessary. Van Eekelen hopes that the discussion will not flare up again in the Netherlands around the time of the deployment. He recently paid a visit to the base in Woensdrecht to inspect the construction progress and the security measures. "I find, and it makes me happy, that the Netherlands people has so quickly accepted the democratic decision on the cruise missiles."

"And I assume that smaller groups will continue to demonstrate against the construction in Woensdrecht. During my visit to the base, I was struck by how carefully the guards deal with the demonstrators. An extra fence has even been set up for them to stick their flowers in. Otherwise they just fell on the ground."

The minister, himself a faithful contributor to the Interchurch Committee for Bilateral Disarmament (ICTO), expects attention to center on expensive conventional armaments in the coming years. He does not agree with critics who argue that weapons systems costs are going through the ceiling. Each year the Ministry of Defense has 5 billion guilders to spend on materiel. Within a short time decisions will have to be made about new missiles (MLRS), replacement F-16's, modernizing the Leopard I, and a number of other billion-guilder orders.

Van Eekelen believes that "the stuff gets more and more expensive, but also better and better." As long as military materiel spending stays within the budget, he feels it is acceptable. "Problems like the Leopard or the Walrus don't cost the taxpayer any extra, because the service involved has to make up the difference itself."

Walrus

As state secretary for defense in the first Van Agt cabinet, Van Eekelen was himself closely involved in the controversial Walrus project. During the Second Chamber debate on the government coalition's policy agreement, he was attacked on that point by PVDA spokesman Kok. The debuting parliamentary leader called him "the wrong man at the wrong place," which the new minister very much resented. Van Eekelen does not believe that he has done anything wrong. He does not give the impression of being worried about how the discussion will come out. The minister even says he does not know whether there will be a debate on this in the Chamber. There is little enthusiasm for it in Parliament. The minister says that there will be a considerable improvement in coming years in the manageability of the defense apparatus, including the major materiel programs, through improvements in internal organization. The goal is to improve effectiveness. According to Van Eekelen, it should ultimately be possible for ministers to manage and monitor the processes better with fewer civil servants.

The Ministry of Defense will also have to get by next year with 3 percent fewer civilian employees, the result of the slimming process prescribed in the government coalition's policy agreement. Van Eekelen acquiesced to that in the cabinet, although he cannot help letting us know that he really thinks it nonsense. "If your budget grows by 2 percent annually and the number of civil servants stays the same, then you're already doing a lot in terms of efficiency."

"During the cabinet discussion we had before us some figures from the Foreign Ministry using the size of each ministry in 1974 as the benchmark. When you set that index at 100, the central defense apparatus has gone down to 96 now,

while all the other ministries have grown by 20 or even 60 percent. I have the impression that that comparison did help to keep military personnel out of the ministers' sights when it came to slimming."

Threat

The minister wants value for his money. But can a steadily growing annual defense budget of now over 13 billion guilders still be justified in social terms? Van Eekelen: "Yes, of course, even when I compare my budget and the increase in it with the cuts in education and welfare, for instance. Because even after those adjustments, education and the level of welfare are still very good in this country. There are fewer and fewer children going to school but the international threat is not decreasing."

That all depends on how you assess it. The minister, still as charming as ever: "Oh, that assessment is too rosy if anything. I'll be getting an extensive briefing again shortly from American experts in Washington. They're always very open. The last time the American briefing once again made it clear that it's worse than we realize. We're not doing more than the minimum necessary in NATO."

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MILITARY NETHERLANDS

MODIFICATIONS TO LEOPARD I TANKS NEEDED

Amsterdam DE VOLKSKRANT in Dutch 13 Sep 86 p 9

[Article by our correspondent Theo Klein: "Another Costly Modification Expected for Leopards"]

[Text] The Hague--It is virtually certain that the army's 468 Leopard I tanks, or a large portion of them, will have to undergo major modifications again. In the worst case that will cost half a billion guilders. Part of this can come from the sum that State Secretary for Defense Van Houwelingen has already reserved for operating that tank. The rest will have to be found by postponing other projects. This week an army study group was set up under Major General J. van den Bergh to report back with recommendations within 3 months.

In theory, the group might consider rapidly replacing the Leopard I with the newer Leopard II, but in practice military experts and politicians consider that to be just about out of the question. A Leopard II costs 6 million guilders. The cost of making the necessary modifications to the chassis of the Leopard II [sic] to make it possible for that to serve for at least another 15 years, is estimated at 1 million guilders per tank.

Then roughly the same amount is necessary to add advanced equipment to make it possible to train at night as well. This expenditure has already been allowed for, but because of delays in developing the equipment the contract still has not been let. A serious disadvantage to replacing the Leopard I with its younger borother is that in that case the Netherlands army can have only one type of tank (Leo II). That would mean that in 30 years the entire tank force would have to be replaced at the same time.

Tank commanders do prefer the Leopard II. In addition, the producer of the Leopard, the German firm Krauss-Maffei, is doing what it can to sell the tank in the Netherlands because otherwise it will soon cease production of that type. But among military and political leaders this alternative's chances are judged to be virtually nil. Both State Secretary Van Houwelingen and the CDA and PVDA factions in the Second Chamber are very cautious about orders that increase costs more than is strictly necessary.

Tinkering

The Leopard I has already been much tinkered with over time. At this moment the latest major round of work is still under way. This is costing about 600 million guilders, 200 million of which is going for an improved fire-control system. It has, however, recently become clear that the steering mechanism and the electrical system in particular are wearing out much more quickly than expected. That threatens to decrease the tanks' combat-readiness despite the costly improvements to the turret.

Too, there is the fact that the international weapons industry offers no prospect of a tank to replace the Leopard I at the end of its life in the 1990's. Attempts at British-German and French-German cooperation have come to nothing and the purchase of an American tank--if one could even be ready on time--is not under consideration. Because of the long delay between the presentation of a design and mass production, it is already clear that Krauss-Maffei will not be able to supply a Leopard III acceptable to the Netherlands in time either.

The result is that the army leadership must decide now how the Leopard I can be modified to make it usable for 15 years longer than intended. The chassis will have to be improved to do this. Colonel P. Cavadino, head of the Leopard project, acknowledges--in retrospect--that the army underestimated the effects the modernization still under way has on the older part of the tank.

The problems would be less pressing, however, if it were known what tanks could be purchased in 10 years' time to succeed the Leopard I. Cavadino says it would be "financial and logistical madness" to seek a solution by replacing the Leopard I with the Leopard II. "The Leopard II is technology from the 1970's. To succeed the Leo I we need a tank with technology from the 1980's," says the colonel.

The study group, which is to come out with recommendations before the end of the year, is also studying the question of what long-term role tanks will play in fighting tanks. In NATO there is a tendency to use helicopters more for that purpose. If Warsaw Pact tank units ever broke though, helicopters would be much more mobile than tanks.

Connected with this is the decision about replacing the Alouette helicopters. The design of the Italian company Agusta and the French Dauphin are under consideration. But that decision too will not be made until the study comittee has its recommendations ready and the army leadership has formulated its advice for the Defense Ministry's political bosses on the basis of those.

It cannot be ruled out that the final decision will be to modify the mix that includes tanks, missile systems, and helicopters, which would have consequences for the total number of Leopards and for the tasks of those tanks in NATO's strategy for the 1990's.

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MILITARY NORWAY

CONTINUED COMMENT ON FOREIGN POLICY INSTITUTE KOLA REPORT

Project Leader Comments

Oslo AFTENPOSTEN in Norwegian 8 Sep 86 p 2

[Op Ed article by Finn Sollie, Perspective Group for Northern Territory Matters: "Report on Kola Base: Increasing Threat to Norway!"]

[Text] The report, which was published on 23 August, by the Norwegian Foreign Policy Institute on the Russian bases on the Kola Peninsula acted as an eye-opener for many and became the subject of considerable attention outside Norway, too. An overall survey of Soviet military installations (by Johnny Skorve) was given with the aid of satellite photographs, with emphasis on naval bases and airfields on the Kola Peninsula; and it was shown in a thorough analysis (by Tomas Ries) how the forces have been built up and which military doctrines apply to their structure and operational functions.

The report gives a convincing impression of a formidable military force which has been built up in a few decades in the area near Norway and which is still in further growth. For those who have not themselves followed especially well the developments on the Kola Peninsula there is much in the report which is new and which can seem terrifying.

Total Picture

All the same, the authors will be the first to admit that the data in themselves are not new and unfamiliar--the report's value lies not in new revelations but in the total picture it gives of the enormous military complex which exists on the Kola Peninsula and which is now shown by means of maps and satellite photographs. The NUPI [Norwegian Foreign Policy Institute] report presents the first open and freely available total picture of the Russians' base complex on the Kola Peninsula.

Some of the report's value lies precisely in the fact that it is based on LANDSAT pictures from a civilian satellite. The data are freely available and no one can question the source's credibility. On the other hand, these data have their limitations, and the report does not have the strength residing in access to military and other secret sources. This means that the picture the report draws is not complete, and that some interpretations and

conclusions which are drawn on the basis of the data employed rest on a weak foundation.

More Satellites

It is a well known fact that military intelligence satellites pick up more details than the LANDSAT pictures show--newer civilian satellites like the French do, too. In addition to greater technical capability, military intelligence also has the advantage that it works continuously, with professional equipment and with trained personnel who know what to look for and who have access to information from many sources.

It is in the nature of the beast that the greater insight and understanding which military intelligence can give cannot be made public knowledge; among other things, because it is not desirable to let the Russians understand how the intelligence works and how good it is. All the same, a matter-of-fact confirmation has been given from military quarters of the NUPI report's main contents, with a statement to the effect that the report provides "a picture which is quite correct" (Defense Minister Holst in AFTENPOSTEN, 1 September), at the same time as it is emphasized that it "lacks some detailed information" (FO [Armed Forces Supreme Command] Press Spokesman Gullow Gjeseth to AFTENPOSTEN, 26 August). It has also been emphasized that some of what has been given much publicity to as news in connection with the report is not in accordance with the picture the authorities have.

Not Suddenly

It has not been said where the mistakes lie, but it must be obvious that such large installations like the naval base near Gremikha can not pop up all of a sudden, and that the base is better known than the report gives the impression of. The same holds true for the major installation at Shagui, and it is not certain that a satellite picture alone provides a basis for conclusions regarding what kind of airfield it can be a question of and which planes are to use it. A coarse-grained photograph (with 30-m resolution) also provides a poor basis for saying that a nuclear power plant has been built across the fjord from Murmansk, a couple of kilometers from downtown.

Timely

All the same, these are objections of minor importance in comparison with the total picture the NUPI report gives, as a topical and timely survey of the base complex on the Kola Peninsula. Evaluated seriously, it tells clearly and unequivocally with maps and pictures what an enormous military base complex now exists on the Kola Peninsula, with predominant emphasis on air and naval bases. It confirms what has been said earlier from many quarters, regarding the fact that the Kola Peninsula, viewed totally, is the mightiest military base anywhere in the world, with conventional and nuclear striking power without parallel.

It confirms also that the buildup is continuing, with bases and installations which must cost an enormous investment of money, materiel and personnel in a country with big uncovered needs in most areas and where efficiency and economic reform are among those items in shortest supply. This says quite a bit about what emphasis the Soviet authorities themselves are placing on their military interests precisely here.

Decades

Of course, this is not really news. The buildup has been going on for a couple of decades and longer, and Norwegian and allied authorities have been familiar with it, better and in greater detail than the NUPI report gives. Plainly, those who have official and political responsibility for Norway's defense and security policy have all the time had better information than this report can provide, and have known what they have to relate to. For the most part, the information which has now been presented has also been available to the public, but not in such a total and lucid form. In a sense everyone is now in an equal position, with the greater insight a good survey can provide.

Of course not the entire military force which has been built up on the Kola Peninsula is aimed at Norway--it is a main element of the Soviet Union's arsenal in the international balance of power, and the Kola forces' primary mission in case of war will in part be to break off the Western powers' supply lines across the sea, as the Germans tried to do in two world wars, and in part will be to ensure a direct Soviet nuclear threat to the USA. Individually and together it is these major international operational objectives which have made Norway's near-lying territory a strategic nuclear zone and Norway itself to have become of central strategic importance.

Particular Value

Through the Soviet buildup of forces on the Kola Peninsula and with the operational properties these forces have, a situation has been created in which the northern regions are critically important both to the Soviet Union, which has forces there, and to West Europe and the USA, which can be threatened by them. Plainly viewed, Norway's problem is just that Norway is where it is. Whether it will be said that Norway is just in the way of the interests of the major powers, or that we have particular strategic value as a buffer and as a potential base in a major war, can be a matter of taste. The upshot under any circumstances is that Norway is exposed and vulnerable, and that the threat has increased with the buildup on the Kola Peninsula.

New Situation

This is a new situation, although the events during the Second World War already showed that it was no longer possible for Norway to stay out of it in a major war. This is the reason that they now talk about the northern regions as a "north front" and not just as the "north flank" in Europe. Besides, this is a permanent situation--the Kola bases will not disappear over night. This can certainly seem terrifying to many, but nevertheless

the danger of war will not increase so long as the deterrence capacity is preserved. In this new situation Norway will also become the object of greater political attention than before, and the country cannot distance itself from the international game of politics. We are at an international focal point and must learn to behave accordingly.

Newspaper Sees 'Increasing Threat'

Oslo AFTENPOSTEN in Norwegian 10 Sep 86 p 2

[Editorial: "The Increasing Threat"]

[Text] Defense Minister Johan Jørgen Holst ought now to collect his wits. He cannot ask to be taken seriously when he first denies that we are confronted with an increasing military threat in the north and then insist that he is not trivializing the same threat. This is a kind of logic in line with that expressed in the story of the man who asserted that his neighbor had long ago gotten back the lawn mower he for his part had never lent. It is natural for us to place different demands on the country's defense minister.

As far as the Norwegian Foreign Policy Institute's latest report on the Soviet base complex on the Kola Peninsula is concerned, we have allowed ourselves to call attention to the fact that it is a confirmation of the increasing threat we face in our nearby regions. To what extent the report tells Holst anything he did not know beforehand is immaterial to the assessment of the actual threat. We have not gone further than to maintain that the report documents the picture formed long ago.

In light of this we have stressed that we must put our house in order and do what we can to strengthen the impression of a credible national defense. Other defense ministers have regarded it as their duty to seek the broadest possible public support concerning this main national duty. But what does Holst stand for? What effort does he think is necessary to rectify the obvious flaws in Norway's defense system today?

We note that he does not think there is any "basis to discuss growth in a budget which has not been submitted." Formally he has a point, but it is already clear that the growth in the defense budget will be reduced from 3.5 to 3 percent, as Undersecretary Ted Hanisch confirms to AFTENPOSTEN today.

It tells everything about how far some in the Labor Party are prepared to go that the confirmation comes in the form of a disclaimer from a leak in ARBEIDERBLADET, which yesterday professed to know that the real growth will be reduced to 1.5 percent. For our part we assume as a matter of course that the present government in any case will comply with the minimum figure of 3-percent growth, which there is agreement on in NATO. But this is a growth which does not take into account our exposed strategic location, and which is not nearly sufficient to maintain our relative defense capacity.

It is clear at the outset that real growth of 3.5 percent has also not given us more than the minimum defense system we must have in order to maintain our credibility. But the Willoch government at least was able to give us the best possible defense system we could get under the existing economic and political circumstances.

We have already been engaged in contributing to securing the best possible defense for the country. We intend to continue doing so, whether Mr. Holst likes it or not. He has no reason to be offended over the fact that we are worried about his and the government's weakness.

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MILITARY NORWAY

BLUE FOX EXERCISE LEADER ON LESSONS FOR NORWEGIAN SOLDIERS

Oslo AFTENPOSTEN in Norwegian 12 Sep 86 p 4

[Article by Liv Hegna: "Major General Bjørn Frantzen: 'Blue Fox' Instructive for Norwegian Soldiers"]

[Text] Norwegian refresher-course fellows in hand-to-hand combat with foreigners who have the soldier's life as a profession--how is it really going? What marks are the generals giving Ola Soldat [G.I. Joe]?

Major General Bjørn Frantzen, "Blue Fox" exercise leader: "Our people are not so experienced. Several days go by before everything moves along as it should. They also do not have the same field performance. But they get along well, and the Blue Fox exercise has been very instructive for the Norwegian forces."

AFTENPOSTEN is meeting the exercise leader at his headquarters at the mountain installation at Rygge Air Station. He says he is very sorry about the accident a British soldier was subjected to when he fell down a steep slope and incurred major head injuries. The man was operated on at Rikshospitalet [the National Hospital] on Thursday afternoon. Otherwise, Major General Frantzen says, there has just been some materiel damage during the Blue Fox exercise, as, for example, when an American bulldozer got stuck during the landing on Monday morning. Such things have caused minor delays in the forward thrust of the exercise, but Frantzen thinks that it just makes the picture more realistic for the soldiers. On his own account, he adds, the Norwegians have had to learn some lessons from not entirely good troop organization in turning out. All the same, such things are to be regarded as trifles, according to Frantzen.

Armed Forces Prepared

The armed forces have raised the state of readiness as far as major accidents are concerned, according to the exercise leader. The main rescue center, all local chiefs of police and sheriff's offices and the hospitals in the district have received information reports on the people taking part in Blue Fox. Frantzen believes that the armed forces are well prepared on the information front, too. His policy is that all information is to be released as soon as possible, whether it is positive for the armed forces or not.

Major General Frantzen believes that it is a question of confidence. He has not asked that a special press officer be stationed at the headquarters itself at his own side, who can track the pulse of the exercise hour by hour and report regarding what efforts ought to be begun in the information sector: "We did not think that we had the capacity for this," he says, but adds that the press center in Sandefjord was given extended authority to make statements on the exercise leader's behalf.

To the question of whether the average Norwegian soldier has a realistic idea of what war is and why war is waged, Frantzen answers a distinct yes. But he adds that it certainly is not the case that duties are takenly equally seriously during peacetime exercises, and that such attitudes will be the normal thing in a mobilization army.

By the way, General Frantzen praises the local people in Vestfold:

"This is the biggest allied exercise ever and the biggest national exercise for many, many years in this district. The armed forces had feared great resistance from the local people down here, who in spite of everything are not used to military exercises such as in North Norway. The fear proved to be unfounded. I have encountered attitudes from directly positive to slightly indifferent, but none at all of a negative nature. I hope that we manage to carry the exercise through in a way which makes it so that this does not change," he says, and he has especially the landowners in mind, since there are almost no wilderness areas in South Norway where the exercise is now taking place. Everything is cultivated. Frantzen says that he has considerable sympathy for the fact that it is not so much fun to have a military tent pitched in your garden.

8831
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MILITARY SWEDEN

LJUNG LEAVES MILITARY, BECOMES KING'S AIDE

Stockholm DAGENS NYHETER in Swedish 14 Sep 86 p 7

[Article by Bengt Falkkloo and Anders Ohman: "Lennart Ljung Leaves OB Post--Hard as Steel With Gentle Exterior"; first paragraph is DAGENS NYHETER introduction]

[Text] A soldier with four stars on his shoulders will be demobilized at the end of September. Lennart Ljung, 65, four-star general and OB [Supreme Commander of the Swedish Armed Forces] will leave his post as Sweden's supreme commander and his entire professional life in the military.

During his eight years as OB he has listened to six defense ministers and experienced an unknown number of probable and improbable foreign submarines which violated Swedish territorial waters.

"No, I am not sorry to leave the job. It has been exciting and edifying. But it will be pleasant to turn it over," said Lennart Ljung when DAGENS NYHETER met him at the Defense Staff for a departure interview.

He went into the military by chance. In 1941-42 during the World War II he studied at the Technical University at the same time as he trained as a reserve officer. He had a choice between field service in Norrland or a school bench at Karlberg and the regular officer route. He chose the latter route, succeeded very well and became one.

Lennart Ljung has military in his family background. His father was a warrant officer and son Lennart was born on 13 March 1921 within the gates of I 21 at Solleftea.

Positive

Today, 65 years later, he is leaving his post as OB and military chief of the armed forces. At the same time new batches of Swedish boys in their best years are being conscripted to begin their basic training. If the OB had the opportunity to chat with a new draftee for a moment, what would he say?

"I would first ask him what he thinks about coming in, if there was anything he did not like. Then we would talk about things that interested him

personally. He is in a very vulnerable situation--moving from school life to military life. It is a sensitive period for many. They are not always as tough as they appear," said Lennart Ljung.

He said that the armed forces now have very positive conscripts. A large number come and say "we want to do this" or "WE DEMAND..." as they now put it. The conscripts demand efficiency and good training. The officers are collapsing under the workload, and are having difficulty living up to expectations.

It was different in Sweden eight years ago. At conscript conferences the OB could hardly get a word in edgewise. At the end of the 60's, during the time of the student revolts, the professional military was unpopular. At that time Lennart Ljung was a regimental commander at Uppsala.

"That was a very interesting period. I learned a lot."

He smiled when he said that. There were no bitter comments. That is typical of OB Lennart Ljung. Always moderate, balanced, listening patiently, never allowing himself to be provoked. He responds to errors of fact with a slight edge in his voice, disclosing firmness behind the gentle exterior.

But the Swedish opposition to defense of the 60's swung around during the 70's. And since the Soviet submarine 137 grounded in Gasfjorden in 1981, approval of defense has steadily grown among the youths.

The OB also believes that the new leadership training in the armed forces has been a positive influence on the conscripts. Relations between officers and enlisted men are for the most part very good.

"I believe one can lead forcefully and still have good relations with the conscripts. The strength remains, and it has not been reduced or blunted. Look at the Israelis. They are perhaps the most informal of all in their training--but who questions their strength in a war?"

Personnel matters are a major problem for the OB. Early discharges are numerous. There is an actual shortage of about 600 officers. Competition from business is difficult to meet. Money is lacking to give pay increases and other benefits. At the same time there is a demand for better training and higher readiness.

Rationalization has been one way to solve the problems. During his eight years the OB has inactivated 14 peacetime units.

Personnel reductions ended with the latest inactivations of LKV 5 at Sundsvall and A 6 at Jonkopings. They did not want to move to any other unit. The armed forces lost well-trained personnel.

"We are getting bigger tasks which are to be accomplished with fewer personnel. I believe that the matter of personnel will be one of the largest and most difficult problems by far for the armed forces for the next few years," said the OB.

Shortage of Weapons

There is also a shortage of weapons, according to many observers. Both in numbers and in quality. During the past 20 years the number of infantry brigades has declined from 20 to 10, surface attack ships have declined from 57 to 34. There are 12 submarines today compared with 24 twenty years ago. Fighter and attack aircraft divisions have seen their numbers reduced by half.

Before the OB retires he has submitted his program plan for the coming five years 1987-92. He wants an annual three percent increase in defense appropriations to adapt Sweden's armed forces to the world around us.

Military-political developments in the 80's have moved rapidly in the Nordic area. Both NATO and the Warsaw Pact can today quickly bring up large fighting forces in the Nordic area. The military presence around us has changed. NATO has advance storage of nuclear weapons in Norway and Denmark. The Warsaw Pact is getting more helicopters, combat aircraft and light mobile units. Exercises in the area are extensive. The serious submarine violations of the past six years against Sweden are included in the OB's analysis of the new military-political situation in the Nordic area.

"As OB I have not been able to control this part. It is controlled by the outside world. As for development of our own defense relative to the outside world, I think it is deplorable that our understanding has not come through in the form of increased defense resources. It is difficult to explain why, but other items have been given priority within the public sector," he said.

Increased Respect

But he is optimistic about the present situation. The debate has swung to the advantage of the OB. Six months ago there was talk of continued cutbacks. Today the politicians are debating the size of the increases.

During the DAGENS NYHETER interview the internal telephone rang and a voice reported that Defense Minister Roine Carlsson was ready to meet with the OB. They usually meet once a week. The OB has talked with six defense ministers during his eight years in office--has the domestic quality changed?

"No, they are all people, but I can say that they have been different," said the OB, and smiled again.

He said that he feels great respect for politicians now. They recognize their responsibility. In connection with the submarine violations they were ready to take increased readiness measures.

"We have obtained acceptance for using weapon systems which are rather unique in the western world. I also respect the ability of politicians to make decisions," he said.

The Admirals have said that "we will slap the submarines on the back," depth charges have been dropped, bottom mines have exploded, islands have been

closed off, protective laws have been passed. The only real submarine that the Swedish people have seen was the Soviet U 137 which appeared during a secret torpedo test off of Karlskrona--but he was aground, in the middle of a secret channel.

Difficult Sub Hunt

In all the other submarine incidents the Navy has been really defeated, and many doubt the reality of the submarines and the ability of the defenders.

"It is laborious to explain to the Swedish people how difficult sub hunting is," said the OB, not letting himself be disturbed one millimeter. He quickly brought out two charts of the Atlantic. A number of points showed where German submarines sank merchant ships before Pearl Harbor in 1941 and the entry of the United States into World War II. Most ships were sunk in the eastern Atlantic. Some years later, when the United States was in the war and had invested billions of dollars to build up its antisubmarine protection to enable the important sea transport, the situation was still serious. The German submarines operated near the coast of the United States. Merchant ships were sunk even in the Gulf of Mexico.

"They could not even keep the submarines away in wartime, which shows how difficult it is," said the OB.

The King's Staff

In the beginning foreign colleagues mocked the OB behind his back. Now they all understand what is taking place. Sweden is not the only country which has problems with submarine violations, but our open information and the fact that submarines have come into the archipelago have made it more dramatic.

During his eight years as OB he experienced two spy affairs with Berling and Stroberg. The damage to the armed forces has been corrected. The Berling affair was not as difficult to correct as Wennerstrom's espionage for the Soviet Union in the 1960's.

Pensioner Lennart Ljung will not put away his uniform, but will follow Stig Synnergren as chief of the king's staff and adjutants. He will also be a director of Procordia, an old state-owned company.

In conclusion, DAGENS NYHETER asked civilian-aspirant Lennart Ljung what was the most important lesson he learned during his time as OB.

"That is too difficult a question--I cannot answer it," said Lennart Ljung.

9287
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ENERGY TURKEY

ENERGY STUDY RECOMMENDS USE OF GAS FROM LIGNITE

Istanbul DUNYA (Supplement) in Turkish 14 Jul 86 pp 5, 7

[Text] Nihat Kitapcioglu, director general of the Genta Industrial Installations Contracting Co., proposes a fresh approach to the ever-present question of how to make rational use of the power resources of our country. In the present study, Kitapcioglu has the following to say about the importance to Turkey of lignite and lignite-based producer gas:

Power generation heads the list on the very important question of resources both in the world and in our country. Every country is engaged in efforts to obtain the lowest-cost way and most convenient way of generating its own power needs. In recent years there have been serious studies in Turkey as well, and attention has been focused both on the search for new energy sources and on the optimal utilization of existing ones. It may be said that the most suitable source of industrial energy in our country is coal.

Turkey has sufficient coal reserves to meet our needs for the next 200 years. We also know that despite all our efforts, our domestic oil production meets a mere 18 percent of our country's needs. In financial terms, the $3-4 million a year we pay out for imported oil is equivalent to half our export revenues. So, taking these figures into account, one can see that our country should encourage and accord priority treatment to lignite-based installations for heating and industry.

It would be appropriate to consider coal and lignite separately. This is because coal is an essential ingredient of the iron and steel industry. As a result, the use of coal has increased year after year in our country. It has even become necessary to import coal for the new iron and steel works.

What we want to dwell on in this article is lignite, of which we have large reserves. As our country entered the 1980's, lignite became a financially advantageous option. As a result, the use of lignite has grown rapidly. The transformation that this represents has enjoyed the encouragement of our state. The state itself has begun building lignite-fueled power stations. The largest of these thermoelectric stations is under construction at Elbistan. Furthermore, there are a number of other large and small thermoelectric stations under construction.

The boiler furnaces of the central heating systems of a number of apartment blocks have been replaced by or converted to lignite-burning furnaces in the 1980's. Newly built apartment blocks are generally being equipped with boilers with lignite-burning furnaces.

In the industrial sector, however, this transformation is proceeding at a slower pace. It would be beneficial both for the country's economy and for industrial enterprises using oil for their energy needs if the latter took a realistic look at their costing and went over to using lignite as soon as possible. Furthermore, as people have recently begun building condominiums in Turkey, it would be advantageous for the country's economy if the practice of heating several buildings from a single centralized heating facility were to replace the current practice of installing a boiler room in every building; this would both help prevent air pollution and result in savings for the country's economy, as it would be made possible through the establishment of high-efficiency, automatically fed and ignited lignite-fired centrals.

Lignite can be burned--depending on the size and specifications of the installation in question--either in small lumps over grills, in pulverized form, or by transformation into combustible gas (producer gas) in a generator. Industrial heating, LPG, and exhibition facilities can now be converted to burn producer gas with minor modifications. The environment of establishments using producer gas remains clean due to the fact that coal, coal dust, and slag remain at the production site. As gas can be produced in the generator at 1,000 degrees, it would be possible to use low-ash yield lignite. While it is true that the lignite produced in our country contains a certain amount of sulfur, it is possible to use special processes in producer gas generators to separate the sulfur or purify the gas of its sulfur content by the use of gas scrubbers. The use of such completely cleaned gas would also be useful in the prevention of atmospheric pollution.

The most widely use systems in industrial installations at present are as follows:

--Systems with a frontal furnace, and having a movable grate
--Fluidized-bed systems
--Systems with automatic hopper and combustion control

Gaseous fuels are an indispensable form of energy for industry, and are easy to use and burn. They do not pollute the environment and are easy to transport; as a result, they are being used more and more extensively in a wide variety of fields. As our subject is lignite, we shall leave aside the subject of natural gases and confine ourselves to discussing the manufacture of combustible gas from lignite and its application in branches of industry. Combustible gas (producer gas) from lignite is obtained through a series of high-temperature chemical reactions in installations called generators. The composition of this gas is as follows:

CO: 25-28 percent; CO_2: 4-6 percent; H_2: 10-13 percent; N_2: 50-55 percent; CH: 5-8 percent; and C_2H_6: 6-9 percent.

The minimum thermal value of this gas (producer gas) is 1,200 kCal/h [as published]. The tar resulting from the combustion of the lignite is removed from the gas by a process of purification, scrubbing and filtering. The producer gas so obtained is sent to the desired destination at a pressure of 5-40 millibars--a pressure which can be adjusted as needed. It is possible to obtain 1.8-4.5 million kCal/h from a generator unit, depending on its capacity. It is possible to increase this capacity by forming batteries of two, four, eight or more generators as needed. Producer gas is 50 percent cheaper than fuel oil and 70 percent cheaper than LPG. The following are the branches of industry in which producer gas is the preferred fuel:

--the brick industry
--the limestone industry
--the ceramic industry
--the glass industry
--the metal industry
--any kind of industrial furnace and centralized heating installation

It would be appropriate here to mention a few instances of gas generators established by the Genta Industrial Installations Contracting Co. that are currently in operation in our country to get a proper perspective on the issue.

The following are such generators:

--The Bartugsan Co.: gas generation plant and gas-burning installation for the kiln;
--The Isiklar Bartin Brick Industry Co.: gas generation plant and gas-burning installation for the kiln;
--The Canakkale Ceramic Factories Co.: gas generation plant and combustion installation;
--The Aegean Ceramics Industry Co.: combustion installation of the gas generation plant.

Gas generators using lignite as fuel, either directly or in pulverized form, are virtually beyond competition at industrial installations. The cost of running oil-burning or LPG-burning installations is, as we pointed out at the beginning of the article, much higher than for those of gas generators.

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